

110TH CONGRESS
1ST SESSION

S. 294

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 31, 2007

Referred to the Committee on Transportation and Infrastructure

AN ACT

To reauthorize Amtrak, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Passenger Rail Invest-
5 ment and Improvement Act of 2007”.

1 **SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.**

2 Except as otherwise specifically provided, whenever in
 3 this Act an amendment is expressed in terms of an amend-
 4 ment to a section or other provision of law, the reference
 5 shall be considered to be made to a section or other provi-
 6 sion of title 49, United States Code.

7 **SEC. 3. TABLE OF CONTENTS.**

8 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Amendment of title 49, United States Code.
- Sec. 3. Table of contents.

TITLE I—AUTHORIZATIONS

- Sec. 101. Authorization for Amtrak capital and operating expenses and State capital grants.
- Sec. 102. Authorization for the Federal Railroad Administration.
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TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS

- Sec. 201. National railroad passenger transportation system defined.
- Sec. 202. Amtrak Board of Directors.
- Sec. 203. Establishment of improved financial accounting system.
- Sec. 204. Development of 5-year financial plan.
- Sec. 205. Establishment of grant process.
- Sec. 206. State-supported routes.
- Sec. 207. Independent auditor to establish methodologies for Amtrak route and service planning decisions.
- Sec. 208. Metrics and standards.
- Sec. 209. Passenger train performance.
- Sec. 210. Long distance routes.
- Sec. 210A. Report on service delays on certain passenger rail routes.
- Sec. 211. Alternate passenger rail service program.
- Sec. 212. Employee transition assistance.
- Sec. 213. Northeast Corridor state-of-good-repair plan.
- Sec. 214. Northeast Corridor infrastructure and operations improvements.
- Sec. 215. Restructuring long-term debt and capital leases.
- Sec. 216. Study of compliance requirements at existing intercity rail stations.
- Sec. 217. Incentive pay.
- Sec. 218. Access to Amtrak equipment and services.
- Sec. 219. General Amtrak provisions.
- Sec. 220. Private sector funding of passenger trains.
- Sec. 221. On-board service improvements.
- Sec. 222. Amtrak management accountability.

- Sec. 223. Locomotive biodiesel fuel use study.
 Sec. 224. Sense of the Senate regarding the need to maintain Amtrak as a national passenger rail system.
 Sec. 225. Passenger rail study.

TITLE III—INTERCITY PASSENGER RAIL POLICY

- Sec. 301. Capital assistance for intercity passenger rail service; State rail plans.
 Sec. 302. State rail plans.
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TITLE IV—MISCELLANEOUS

- Sec. 401. Strategic plan on expanded cross-border passenger rail service during the 2010 Olympic Games.

1 **TITLE I—AUTHORIZATIONS**

2 **SEC. 101. AUTHORIZATION FOR AMTRAK CAPITAL AND OP-** 3 **ERATING EXPENSES AND STATE CAPITAL** 4 **GRANTS.**

5 (a) OPERATING GRANTS.—There are authorized to
 6 be appropriated to the Secretary of Transportation for the
 7 use of Amtrak for operating costs the following amounts:

8 (1) For fiscal year 2007, \$580,000,000.

9 (2) For fiscal year 2008, \$590,000,000.

10 (3) For fiscal year 2009, \$600,000,000.

11 (4) For fiscal year 2010, \$575,000,000.

12 (5) For fiscal year 2011, \$535,000,000.

13 (6) For fiscal year 2012, \$455,000,000.

14 (b) CAPITAL GRANTS.—There are authorized to be
 15 appropriated to the Secretary of Transportation for the
 16 use of Amtrak for capital projects (as defined in subpara-
 17 graphs (A) and (B) of section 24401(2) of title 49, United

1 States Code) to bring the Northeast Corridor (as defined
 2 in section 24102(a)) to a state-of-good-repair, for capital
 3 expenses of the national railroad passenger transportation
 4 system, and for purposes of making capital grants under
 5 section 24402 of that title to States, the following
 6 amounts:

- 7 (1) For fiscal year 2007, \$813,000,000.
- 8 (2) For fiscal year 2008, \$910,000,000.
- 9 (3) For fiscal year 2009, \$1,071,000,000.
- 10 (4) For fiscal year 2010, \$1,096,000,000.
- 11 (5) For fiscal year 2011, \$1,191,000,000.
- 12 (6) For fiscal year 2012, \$1,231,000,000.

13 (c) AMOUNTS FOR STATE GRANTS.—Out of the
 14 amounts authorized under subsection (b), the following
 15 percentage shall be available each fiscal year for capital
 16 grants to States under section 24402 of title 49, United
 17 States Code, to be administered by the Secretary of Trans-
 18 portation:

- 19 (1) 3 percent for fiscal year 2007.
- 20 (2) 11 percent for fiscal year 2008.
- 21 (3) 23 percent for fiscal year 2009.
- 22 (4) 25 percent for fiscal year 2010.
- 23 (5) 31 percent for fiscal year 2011.
- 24 (6) 33 percent for fiscal year 2012.

1 (d) PROJECT MANAGEMENT OVERSIGHT.—The Sec-
 2 retary may withhold up to 1/2 of 1 percent of amounts
 3 appropriated pursuant to subsection (b) for the costs of
 4 project management oversight of capital projects carried
 5 out by Amtrak.

6 **SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD**
 7 **ADMINISTRATION.**

8 There are authorized to be appropriated to the Sec-
 9 retary of Transportation for the use of the Federal Rail-
 10 road Administration such sums as necessary to implement
 11 the provisions required under this Act for fiscal years
 12 2007 through 2012.

13 **SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL**
 14 **LEASES.**

15 (a) AMTRAK PRINCIPAL AND INTEREST PAY-
 16 MENTS.—

17 (1) PRINCIPAL ON DEBT SERVICE.—There are
 18 authorized to be appropriated to the Secretary of
 19 Transportation for the use of Amtrak for retirement
 20 of principal on loans for capital equipment, or cap-
 21 ital leases, not more than the following amounts:

22 (A) For fiscal year 2007, \$153,900,000.

23 (B) For fiscal year 2008, \$153,400,000.

24 (C) For fiscal year 2009, \$180,600,000.

25 (D) For fiscal year 2010, \$182,800,000.

1 (E) For fiscal year 2011, \$189,400,000.

2 (F) For fiscal year 2012, \$202,600,000.

3 (2) INTEREST ON DEBT.—There are authorized
4 to be appropriated to the Secretary of Transpor-
5 tation for the use of Amtrak for the payment of in-
6 terest on loans for capital equipment, or capital
7 leases, the following amounts:

8 (A) For fiscal year 2007, \$139,600,000.

9 (B) For fiscal year 2008, \$131,300,000.

10 (C) For fiscal year 2009, \$121,700,000.

11 (D) For fiscal year 2010, \$111,900,000.

12 (E) For fiscal year 2011, \$101,900,000.

13 (F) For fiscal year 2012, \$90,200,000.

14 (3) EARLY BUYOUT OPTION.—There are au-
15 thorized to be appropriated to the Secretary of
16 Transportation such sums as may be necessary for
17 the use of Amtrak for the payment of costs associ-
18 ated with early buyout options if the exercise of
19 those options is determined to be advantageous to
20 Amtrak.

21 (4) LEGAL EFFECT OF PAYMENTS UNDER THIS
22 SECTION.—The payment of principal and interest on
23 secured debt, with the proceeds of grants authorized
24 by this section shall not—

1 (A) modify the extent or nature of any in-
 2 debtedness of the National Railroad Passenger
 3 Corporation to the United States in existence of
 4 the date of enactment of this Act;

5 (B) change the private nature of Amtrak's
 6 or its successors' liabilities; or

7 (C) imply any Federal guarantee or com-
 8 mitment to amortize Amtrak's outstanding in-
 9 debtedness.

10 **SEC. 104. EXCESS RAILROAD RETIREMENT.**

11 There are authorized to be appropriated to the Sec-
 12 retary of Transportation, beginning with fiscal year 2007,
 13 such sums as may be necessary to pay to the Railroad
 14 Retirement Account an amount equal to the amount Am-
 15 trak must pay under section 3221 of the Internal Revenue
 16 Code of 1986 in such fiscal years that is more than the
 17 amount needed for benefits for individuals who retire from
 18 Amtrak and for their beneficiaries. For each fiscal year
 19 in which the Secretary makes such a payment, the
 20 amounts authorized by section 101(a) shall be reduced by
 21 an amount equal to such payment.

22 **SEC. 105. OTHER AUTHORIZATIONS.**

23 There are authorized to be appropriated to the Sec-
 24 retary of Transportation—

1 (1) \$5,000,000 for each of fiscal years 2007
 2 through 2012 to carry out the rail cooperative re-
 3 search program under section 24910 of title 49,
 4 United States Code;

5 (2) \$5,000,000 for fiscal year 2008, to remain
 6 available until expended, for grants to Amtrak and
 7 States participating in the Next Generation Corridor
 8 Train Equipment Pool Committee established under
 9 section 303 of this Act for the purpose of designing,
 10 developing specifications for, and initiating the pro-
 11 curement of an initial order of 1 or more types of
 12 standardized next-generation corridor train equip-
 13 ment and establishing a jointly-owned corporation to
 14 manage that equipment; and

15 (3) \$2,000,000 for fiscal year 2008, for the use
 16 of Amtrak in conducting the evaluation required by
 17 section 216 of this Act.

18 **TITLE II—AMTRAK REFORM AND** 19 **OPERATIONAL IMPROVEMENTS**

20 **SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPOR-** 21 **TATION SYSTEM DEFINED.**

22 (a) IN GENERAL.—Section 24102 is amended—

23 (1) by striking paragraph (2);

24 (2) by redesignating paragraphs (3), (4), and

25 (5) as paragraphs (2), (3), and (4), respectively; and

(3) by inserting after paragraph (4) as so redesignated the following:

“(5) ‘national rail passenger transportation system’ means—

“(A) the segment of the Northeast Corridor between Boston, Massachusetts and Washington, DC;

“(B) rail corridors that have been designated by the Secretary of Transportation as high-speed corridors (other than corridors described in subparagraph (A)), but only after they have been improved to permit operation of high-speed service;

“(C) long distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Passenger Rail Investment and Improvement Act of 2007; and

“(D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by—

“(i) Amtrak; or

“(ii) another rail carrier that receives funds under chapter 244.”.

(b) AMTRAK ROUTES WITH STATE FUNDING.—

1 (1) IN GENERAL.—Chapter 247 is amended by
 2 inserting after section 24701 the following:

3 **“§ 24702. Transportation requested by States, au-**
 4 **thorities, and other persons**

5 “(a) CONTRACTS FOR TRANSPORTATION.—Amtrak
 6 may enter into a contract with a State, a regional or local
 7 authority, or another person for Amtrak to operate an
 8 intercity rail service or route not included in the national
 9 rail passenger transportation system upon such terms as
 10 the parties thereto may agree.

11 “(b) DISCONTINUANCE.—Upon termination of a con-
 12 tract entered into under this section, or the cessation of
 13 financial support under such a contract by either party,
 14 Amtrak may discontinue such service or route, notwith-
 15 standing any other provision of law.”.

16 (2) CONFORMING AMENDMENT.—The chapter
 17 analysis for chapter 247 is amended by inserting
 18 after the item relating to section 24701 the fol-
 19 lowing:

“24702. Transportation requested by States, authorities, and other persons.”.

20 (c) AMTRAK TO CONTINUE TO PROVIDE NON-HIGH-
 21 SPEED SERVICES.—Nothing in this Act is intended to pre-
 22 clude Amtrak from restoring, improving, or developing
 23 non-high-speed intercity passenger rail service.

24 (d) APPLICABILITY OF SECTION 24706.—Section
 25 24706 is amended by adding at the end the following:

1 “(c) APPLICABILITY.—This section applies to all
 2 service over routes provided by Amtrak, notwithstanding
 3 any provision of section 24701 of this title or any other
 4 provision of this title except section 24702(b).”.

5 (e) AMTRAK’S MISSION.—

6 (1) Section 24101 is amended—

7 (A) by striking “**purpose**” in the section
 8 heading and inserting “**mission**”;

9 (B) by striking subsection (b) and insert-
 10 ing the following:

11 “(b) MISSION.—

12 “(1) IN GENERAL.—The mission of Amtrak is
 13 to provide efficient and effective intercity passenger
 14 rail mobility consisting of high quality service that is
 15 trip-time competitive with other intercity travel op-
 16 tions and that is consistent with the goals of sub-
 17 section (d).

18 “(2) PERFORMANCE MEASUREMENT.—All
 19 measurements of Amtrak performance, including de-
 20 cisions on whether, and to what extent, to provide
 21 operating subsidies, shall be based on Amtrak’s abil-
 22 ity to carry out the mission described in paragraph
 23 (1).”; and

24 (C) by redesignating paragraphs (9)
 25 through (11) in subsection (c) as paragraphs

1 (10) through (12), respectively, and inserting
 2 after paragraph (8) the following:

3 “(9) provide redundant or complimentary inter-
 4 city transportation service to ensure mobility in
 5 times of national disaster or other instances where
 6 other travel options are not adequately available;”.

7 (2) CONFORMING AMENDMENT.—The chapter anal-
 8 ysis for chapter 241 is amended by striking the item relat-
 9 ing to section 24101 and inserting the following:

“24101. Findings, mission, and goals”.

10 **SEC. 202. AMTRAK BOARD OF DIRECTORS.**

11 (a) IN GENERAL.—Section 24302 is amended to read
 12 as follows:

13 **“§ 24302. Board of directors**

14 “(a) COMPOSITION AND TERMS.—

15 “(1) The Board of Directors of Amtrak is com-
 16 posed of the following 10 directors, each of whom
 17 must be a citizen of the United States:

18 “(A) The Secretary of Transportation.

19 “(B) The President of Amtrak, who shall
 20 serve ex officio, as a non-voting member.

21 “(C) 8 individuals appointed by the Presi-
 22 dent of the United States, by and with the ad-
 23 vice and consent of the Senate, with general
 24 business and financial experience, experience or
 25 qualifications in transportation, freight and

1 passenger rail transportation, travel, hospi-
2 tality, cruise line, and passenger air transpor-
3 tation businesses, or representatives of employ-
4 ees or users of passenger rail transportation or
5 a State government.

6 “(2) In selecting individuals described in para-
7 graph (1) for nominations for appointments to the
8 Board, the President shall consult with the Speaker
9 of the House of Representatives, the minority leader
10 of the House of Representatives, the majority leader
11 of the Senate, and the minority leader of the Senate
12 and try to provide adequate and balanced represen-
13 tation of the major geographic regions of the United
14 States served by Amtrak.

15 “(3) An individual appointed under paragraph
16 (1)(C) of this subsection serves for 5 years or until
17 the individual’s successor is appointed and qualified.
18 Not more than 5 individuals appointed under para-
19 graph (1)(C) may be members of the same political
20 party.

21 “(4) The Board shall elect a chairman and a
22 vice chairman from among its membership. The vice
23 chairman shall serve as chairman in the absence of
24 the chairman.

1 “(5) The Secretary may be represented at
2 board meetings by the Secretary’s designee.

3 “(6) The voting privileges of the President can
4 be changed by a unanimous decision of the Board.

5 “(b) PAY AND EXPENSES.—Each director not em-
6 ployed by the United States Government is entitled to
7 \$300 a day when performing Board duties. Each Director
8 is entitled to reimbursement for necessary travel, reason-
9 able secretarial and professional staff support, and sub-
10 sistence expenses incurred in attending Board meetings.

11 “(c) VACANCIES.—A vacancy on the Board is filled
12 in the same way as the original selection, except that an
13 individual appointed by the President of the United States
14 under subsection (a)(1)(C) of this section to fill a vacancy
15 occurring before the end of the term for which the prede-
16 cessor of that individual was appointed is appointed for
17 the remainder of that term. A vacancy required to be filled
18 by appointment under subsection (a)(1)(C) must be filled
19 not later than 120 days after the vacancy occurs.

20 “(d) QUORUM.—A majority of the members serving
21 shall constitute a quorum for doing business.

22 “(e) BYLAWS.—The Board may adopt and amend by-
23 laws governing the operation of Amtrak. The bylaws shall
24 be consistent with this part and the articles of incorpora-
25 tion.”.

1 (b) EFFECTIVE DATE FOR DIRECTORS' PROVI-
 2 SION.—The amendment made by subsection (a) shall take
 3 effect on October 1, 2007. The members of the Amtrak
 4 Board serving on the date of enactment of this Act may
 5 continue to serve for the remainder of the term to which
 6 they were appointed.

7 **SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL AC-**
 8 **COUNTING SYSTEM.**

9 (a) IN GENERAL.—The Amtrak Board of Directors—
 10 (1) may employ an independent financial con-
 11 sultant with experience in railroad accounting to as-
 12 sist Amtrak in improving Amtrak's financial ac-
 13 counting and reporting system and practices;
 14 (2) shall implement a modern financial account-
 15 ing and reporting system; and
 16 (3) shall, not later than 90 days after the end
 17 of each fiscal year through fiscal year 2012—
 18 (A) submit to Congress a comprehensive
 19 report that allocates all of Amtrak's revenues
 20 and costs to each of its routes, each of its lines
 21 of business, and each major activity within each
 22 route and line of business activity, including—
 23 (i) train operations;
 24 (ii) equipment maintenance;
 25 (iii) food service;

1 (iv) sleeping cars;

2 (v) ticketing; and

3 (vi) reservations;

4 (B) include the report described in sub-
5 paragraph (A) in Amtrak's annual report; and

6 (C) post such report on Amtrak's website.

7 (b) VERIFICATION OF SYSTEM; REPORT.—The In-
8 spector General of the Department of Transportation shall
9 review the accounting system designed and implemented
10 under subsection (a) to ensure that it accomplishes the
11 purposes for which it is intended. The Inspector General
12 shall report his findings and conclusions, together with
13 any recommendations, to the Senate Committee on Com-
14 merce, Science, and Transportation and the House of Rep-
15 resentatives Committee on Transportation and Infrastruc-
16 ture.

17 (c) CATEGORIZATION OF REVENUES AND EX-
18 PENSES.—

19 (1) IN GENERAL.—In carrying out subsection
20 (a), the Amtrak Board of Directors shall separately
21 categorize routes, assigned revenues, and attrib-
22 utable expenses by type of service, including long
23 distance routes, State-sponsored routes, commuter
24 contract routes, and Northeast Corridor routes.

1 (2) NORTHEAST CORRIDOR.—Amtrak revenues
 2 generated by freight and commuter railroads oper-
 3 ating on the Northeast Corridor shall be separately
 4 listed to include the charges per car mile assessed by
 5 Amtrak to other freight and commuter railroad enti-
 6 ties.

7 (3) FIXED OVERHEAD EXPENSES.—Fixed over-
 8 head expenses that are not directly assigned or at-
 9 tributed to any route (or group of routes) shall be
 10 listed separately by line item and expense category.

11 **SEC. 204. DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.**

12 (a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—
 13 The Amtrak Board of Directors shall submit an annual
 14 budget and business plan for Amtrak, and a 5-year finan-
 15 cial plan for the fiscal year to which that budget and busi-
 16 ness plan relate and the subsequent 4 years, prepared in
 17 accordance with this section, to the Secretary of Transpor-
 18 tation and the Inspector General of the Department of
 19 Transportation no later than—

20 (1) the first day of each fiscal year beginning
 21 after the date of enactment of this Act; or

22 (2) the date that is 60 days after the date of
 23 enactment of an appropriation Act for the fiscal
 24 year, if later.

1 (b) CONTENTS OF 5-YEAR FINANCIAL PLAN.—The
2 5-year financial plan for Amtrak shall include, at a min-
3 imum—

4 (1) all projected revenues and expenditures for
5 Amtrak, including governmental funding sources;

6 (2) projected ridership levels for all Amtrak
7 passenger operations;

8 (3) revenue and expenditure forecasts for non-
9 passenger operations;

10 (4) capital funding requirements and expendi-
11 tures necessary to maintain passenger service which
12 will accommodate predicted ridership levels and pre-
13 dicted sources of capital funding;

14 (5) operational funding needs, if any, to main-
15 tain current and projected levels of passenger serv-
16 ice, including state-supported routes and predicted
17 funding sources;

18 (6) projected capital and operating require-
19 ments, ridership, and revenue for any new passenger
20 service operations or service expansions;

21 (7) an assessment of the continuing financial
22 stability of Amtrak, as indicated by factors such as
23 the ability of the Federal government to fund capital
24 and operating requirements adequately, Amtrak's
25 ability to efficiently manage its workforce, and Am-

1 trak's ability to effectively provide passenger train
2 service;

3 (8) estimates of long-term and short-term debt
4 and associated principal and interest payments (both
5 current and anticipated);

6 (9) annual cash flow forecasts;

7 (10) a statement describing methods of esti-
8 mation and significant assumptions;

9 (11) specific measures that demonstrate meas-
10 urable improvement year over year in Amtrak's abil-
11 ity to operate with reduced Federal operating assist-
12 ance;

13 (12) prior fiscal year and projected operating
14 ratio, cash operating loss, and cash operating loss
15 per passenger on a route, business line, and cor-
16 porate basis;

17 (13) prior fiscal year and projected specific
18 costs and savings estimates resulting from reform
19 initiatives;

20 (14) prior fiscal year and projected labor pro-
21 ductivity statistics on a route, business line, and cor-
22 porate basis;

23 (15) prior fiscal year and projected equipment
24 reliability statistics; and

1 (16) capital and operating expenditure for an-
2 ticipated security needs.

3 (c) STANDARDS TO PROMOTE FINANCIAL STA-
4 BILITY.—In meeting the requirements of subsection (b),
5 Amtrak shall—

6 (1) apply sound budgetary practices, including
7 reducing costs and other expenditures, improving
8 productivity, increasing revenues, or combinations of
9 such practices;

10 (2) use the categories specified in the financial
11 accounting and reporting system developed under
12 section 203 when preparing its 5-year financial plan;
13 and

14 (3) ensure that the plan is consistent with the
15 authorizations of appropriations under title I of this
16 Act.

17 (d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

18 (1) IN GENERAL.—The Inspector General of
19 the Department of Transportation shall assess the
20 5-year financial plans prepared by Amtrak under
21 this section to determine whether they meet the re-
22 quirements of subsection (b), and may suggest revi-
23 sions to any components thereof that do not meet
24 those requirements.

1 (2) ASSESSMENT TO BE FURNISHED TO THE
2 CONGRESS.—The Inspector General shall furnish to
3 the House of Representatives Committee on Appro-
4 priations, the Senate Committee on Appropriations,
5 the House of Representatives Committee on Trans-
6 portation and Infrastructure, and the Senate Com-
7 mittee on Commerce, Science, and Transportation—

8 (A) an assessment of the annual budget
9 within 90 days after receiving it from Amtrak;
10 and

11 (B) an assessment of the remaining 4
12 years of the 5-year financial plan within 180
13 days after receiving it from Amtrak.

14 **SEC. 205. ESTABLISHMENT OF GRANT PROCESS.**

15 (a) GRANT REQUESTS.—Amtrak shall submit grant
16 requests (including a schedule for the disbursement of
17 funds), consistent with the requirements of this Act, to
18 the Secretary of Transportation for funds authorized to
19 be appropriated to the Secretary for the use of Amtrak
20 under sections 101(a) and (b), 103, and 105.

21 (b) PROCEDURES FOR GRANT REQUESTS.—The Sec-
22 retary shall establish substantive and procedural require-
23 ments, including schedules, for grant requests under this
24 section not later than 30 days after the date of enactment
25 of this Act and shall transmit copies to the Senate Com-

1 mittee on Commerce, Science, and Transportation and the
 2 House of Representatives Committee on Transportation
 3 and Infrastructure. As part of those requirements, the
 4 Secretary shall require, at a minimum, that Amtrak de-
 5 posit grant funds, consistent with the appropriated
 6 amounts for each area of expenditure in a given fiscal
 7 year, in the following 3 accounts:

8 (1) The Amtrak Operating account.

9 (2) The Amtrak General Capital account.

10 (3) The Northeast Corridor Improvement funds
 11 account.

12 Amtrak may not transfer such funds to another account
 13 or expend such funds for any purpose other than the pur-
 14 poses covered by the account in which the funds are depos-
 15 ited without approval by the Secretary.

16 (c) REVIEW AND APPROVAL.—

17 (1) 30-DAY APPROVAL PROCESS.—The Sec-
 18 retary shall complete the review of a complete grant
 19 request (including the disbursement schedule) and
 20 approve or disapprove the request within 30 days
 21 after the date on which Amtrak submits the grant
 22 request. If the Secretary disapproves the request or
 23 determines that the request is incomplete or defi-
 24 cient, the Secretary shall include the reason for dis-

1 approval or the incomplete items or deficiencies in
2 the notice to Amtrak.

3 (2) 15-DAY MODIFICATION PERIOD.—Within 15
4 days after receiving notification from the Secretary
5 under the preceding sentence, Amtrak shall submit
6 a modified request for the Secretary’s review.

7 (3) REVISED REQUESTS.—Within 15 days after
8 receiving a modified request from Amtrak, the Sec-
9 retary shall either approve the modified request, or,
10 if the Secretary finds that the request is still incom-
11 plete or deficient, the Secretary shall identify in writ-
12 ing to the Senate Committee on Commerce, Science,
13 and Transportation and the House of Representatives
14 Committee on Transportation and Infrastructure the
15 remaining deficiencies and recommend a process for
16 resolving the outstanding portions of the request.

17 **SEC. 206. STATE-SUPPORTED ROUTES.**

18 (a) IN GENERAL.—Within 2 years after the date of
19 enactment of this Act, the Board of Directors of Amtrak,
20 in consultation with the Secretary of Transportation and
21 the governors of each relevant State and the Mayor of the
22 District of Columbia or groups representing those officials,
23 shall develop and implement a single, Nationwide stand-
24 ardized methodology for establishing and allocating the

1 operating and capital costs among the States and Amtrak
2 associated with trains operated on routes described in sec-
3 tion 24102(5)(B) or (D) or section 24702 that—

4 (1) ensures, within 5 years after the date of en-
5 actment of this Act, equal treatment in the provision
6 of like services of all States and groups of States
7 (including the District of Columbia); and

8 (2) allocates to each route the costs incurred
9 only for the benefit of that route and a propor-
10 tionate share, based upon factors that reasonably re-
11 flect relative use, of costs incurred for the common
12 benefit of more than 1 route.

13 (b) REVIEW.—If Amtrak and the States (including
14 the District of Columbia) in which Amtrak operates such
15 routes do not voluntarily adopt and implement the meth-
16 odology developed under subsection (a) in allocating costs
17 and determining compensation for the provision of service
18 in accordance with the date established therein, the Sur-
19 face Transportation Board shall determine the appro-
20 priate methodology required under subsection (a) for such
21 services in accordance with the procedures and procedural
22 schedule applicable to a proceeding under section 24904(c)
23 of title 49, United States Code, and require the full imple-
24 mentation of this methodology with regards to the provi-

1 sion of such service within 1 year after the Board's deter-
 2 mination of the appropriate methodology.

3 (c) USE OF CHAPTER 244 FUNDS.—Funds provided
 4 to a State under chapter 244 of title 49, United States
 5 Code, may be used, as provided in that chapter, to pay
 6 capital costs determined in accordance with this section.

7 **SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METH-**
 8 **ODOLOGIES FOR AMTRAK ROUTE AND SERV-**
 9 **ICE PLANNING DECISIONS.**

10 (a) METHODOLOGY DEVELOPMENT.—The Federal
 11 Railroad Administration shall obtain the services of an
 12 independent auditor or consultant to develop and rec-
 13 ommend objective methodologies for determining intercity
 14 passenger routes and services, including the establishment
 15 of new routes, the elimination of existing routes, and the
 16 contraction or expansion of services or frequencies over
 17 such routes. In developing such methodologies, the auditor
 18 or consultant shall consider—

- 19 (1) the current or expected performance and
 20 service quality of intercity passenger train oper-
 21 ations, including cost recovery, on-time performance
 22 and minutes of delay, ridership, on-board services,
 23 stations, facilities, equipment, and other services;
 24 (2) connectivity of a route with other routes;

1 (3) the transportation needs of communities
2 and populations that are not well served by intercity
3 passenger rail service or by other forms of public
4 transportation;

5 (4) Amtrak's and other major intercity pas-
6 senger rail service providers in other countries'
7 methodologies for determining intercity passenger
8 rail routes and services; and

9 (5) the views of the States and other interested
10 parties.

11 (b) SUBMITTAL TO CONGRESS.—The auditor or con-
12 sultant shall submit recommendations developed under
13 subsection (a) to Amtrak, the House of Representatives
14 Committee on Transportation and Infrastructure, and the
15 Senate Committee on Commerce, Science, and Transpor-
16 tation.

17 (c) CONSIDERATION OF RECOMMENDATIONS.—With-
18 in 90 days after receiving the recommendations developed
19 under subsection (a) by the independent auditor or con-
20 sultant, the Amtrak Board shall consider the adoption of
21 those recommendations. The Board shall transmit a report
22 to the Senate Committee on Commerce, Science, and
23 Transportation and the House of Representatives Com-
24 mittee on Transportation and Infrastructure explaining its

1 action in adopting or failing to adopt any of the rec-
2 ommendations.

3 (d) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be made available to the Secretary of
5 Transportation, out of any amounts authorized by this Act
6 to be appropriated for the benefit of Amtrak and not oth-
7 erwise obligated or expended, such sums as may be nec-
8 essary to carry out this section.

9 (e) PIONEER ROUTE.—Not later than 1 year after
10 the date of the enactment of this Act, Amtrak shall con-
11 duct a 1-time evaluation of passenger rail service between
12 Seattle and Chicago (commonly known as the “Pioneer
13 Route”), which was operated by Amtrak until 1997, using
14 methodologies adopted under subsection (c), to determine
15 whether to reinstate passenger rail service along the Pio-
16 neer Route or along segments of such route.

17 (f) NORTH COAST HIAWATHA ROUTE.—Not later
18 than 1 year after the date of enactment of this Act, Am-
19 trak shall conduct a 1-time evaluation of passenger rail
20 service between Chicago and Seattle, through Southern
21 Montana (commonly known as the “North Coast Hia-
22 watha Route”), which was operated by Amtrak until 1979,
23 using methodologies adopted under subsection (c), to de-
24 termine whether to reinstate passenger rail service along
25 the North Coast Hiawatha Route or along segments of

1 such route, provided that such service will not negatively
2 impact existing Amtrak routes.

3 **SEC. 208. METRICS AND STANDARDS.**

4 (a) IN GENERAL.—Within 180 days after the date
5 of enactment of this Act, the Administrator of the Federal
6 Railroad Administration and Amtrak shall jointly, in con-
7 sultation with the Surface Transportation Board, rail car-
8 riers over whose rail lines Amtrak trains operate, States,
9 Amtrak employees, and groups representing Amtrak pas-
10 sengers, as appropriate, develop new or improve existing
11 metrics and minimum standards for measuring the per-
12 formance and service quality of intercity passenger train
13 operations, including cost recovery, on-time performance
14 and minutes of delay, ridership, on-board services, sta-
15 tions, facilities, equipment, and other services. Such
16 metrics, at a minimum, shall include the percentage of
17 avoidable and fully allocated operating costs covered by
18 passenger revenues on each route, ridership per train mile
19 operated, measures of on-time performance and delays in-
20 curred by intercity passenger trains on the rail lines of
21 each rail carrier and, for long distance routes, measures
22 of connectivity with other routes in all regions currently
23 receiving Amtrak service and the transportation needs of
24 communities and populations that are not well-served by
25 other forms of public transportation. Amtrak shall provide

1 reasonable access to the Federal Railroad Administration
2 in order to enable the Administration to carry out its duty
3 under this section.

4 (b) QUARTERLY REPORTS.—The Administrator of
5 the Federal Railroad Administration shall collect the nec-
6 essary data and publish a quarterly report on the perform-
7 ance and service quality of intercity passenger train oper-
8 ations, including Amtrak’s cost recovery, ridership, on-
9 time performance and minutes of delay, causes of delay,
10 on-board services, stations, facilities, equipment, and other
11 services.

12 (c) CONTRACT WITH HOST RAIL CARRIERS.—To the
13 extent practicable, Amtrak and its host rail carriers shall
14 incorporate the metrics and standards developed under
15 subsection (a) into their access and service agreements.

16 (d) ARBITRATION.—If the development of the metrics
17 and standards is not completed within the 180-day period
18 required by subsection (a), any party involved in the devel-
19 opment of those standards may petition the Surface
20 Transportation Board to appoint an arbitrator to assist
21 the parties in resolving their disputes through binding ar-
22 bitration.

23 **SEC. 209. PASSENGER TRAIN PERFORMANCE.**

24 (a) IN GENERAL.—Section 24308 is amended by
25 adding at the end the following:

1 “(f) PASSENGER TRAIN PERFORMANCE AND OTHER
2 STANDARDS.—

3 “(1) INVESTIGATION OF SUBSTANDARD PER-
4 FORMANCE.—If the on-time performance of any
5 intercity passenger train averages less than 80 per-
6 cent for any 2 consecutive calendar quarters, or the
7 service quality of intercity passenger train operations
8 for which minimum standards are established under
9 section 208 of the Passenger Rail Investment and
10 Improvement Act of 2007 fails to meet those stand-
11 ards for 2 consecutive calendar quarters, the Surface
12 Transportation Board may initiate an investigation,
13 or upon the filing of a complaint by Amtrak, an
14 intercity passenger rail operator, a host freight rail-
15 road over which Amtrak operates, or an entity for
16 which Amtrak operates intercity passenger rail serv-
17 ice, the Board shall initiate an investigation to de-
18 termine whether, and to what extent, delays or fail-
19 ure to achieve minimum standards are due to causes
20 that could reasonably be addressed by a rail carrier
21 over tracks of which the intercity passenger train op-
22 erates or reasonably addressed by Amtrak or other
23 intercity passenger rail operator. As part of its in-
24 vestigation, the Board has authority to review the
25 accuracy of the train performance data. In making

1 its determination or carrying out such an investiga-
 2 tion, the Board shall obtain information from all
 3 parties involved and identify reasonable measures
 4 and make recommendations to improve the service,
 5 quality, and on-time performance of the train.

6 “(2) PROBLEMS CAUSED BY HOST RAIL CAR-
 7 RIER.—If the Board determines that delays or fail-
 8 ures to achieve minimum standards investigated
 9 under paragraph (1) are attributable to a rail car-
 10 rier’s failure to provide preference to Amtrak over
 11 freight transportation as required under subsection
 12 (c), the Board may award damages against the host
 13 rail carrier, including prescribing such other relief to
 14 Amtrak as it determines to be reasonable and appro-
 15 priate pursuant to paragraph (3) of this subsection.

16 “(3) DAMAGES AND RELIEF.—In awarding
 17 damages and prescribing other relief under this sub-
 18 section the Board shall consider such factors as—

19 “(A) the extent to which Amtrak suffers fi-
 20 nancial loss as a result of host rail carrier
 21 delays or failure to achieve minimum standards;
 22 and

23 “(B) what reasonable measures would ade-
 24 quately deter future actions which may reason-

1 ably be expected to be likely to result in delays
2 to Amtrak on the route involved.

3 “(4) USE OF DAMAGES.—The Board shall, as it
4 deems appropriate, order the host rail carrier to
5 remit the damages awarded under this subsection to
6 Amtrak or to an entity for which Amtrak operates
7 intercity passenger rail service. Such damages shall
8 be used for capital or operating expenditures on the
9 routes over which delays or failures to achieve min-
10 imum standards were the result of a rail carrier’s
11 failure to provide preference to Amtrak over freight
12 transportation as determined in accordance with
13 paragraph (2).”.

14 (b) FEES.—The Surface Transportation Board may
15 establish and collect filing fees from any entity that files
16 a complaint under section 24308(f)(1) of title 49, United
17 States Code, or otherwise requests or requires the Board’s
18 services pursuant to this Act. The Board shall establish
19 such fees at levels that will fully or partially, as the Board
20 determines to be appropriate, offset the costs of adjudi-
21 cating complaints under that section and other requests
22 or requirements for Board action under this Act. The
23 Board may waive any fee established under this subsection
24 for any governmental entity as determined appropriate by
25 the Board.

1 (c) AUTHORIZATION OF ADDITIONAL STAFF.—The
 2 Surface Transportation Board may increase the number
 3 of Board employees by up to 15 for the 5 fiscal year period
 4 beginning with fiscal year 2008 to carry out its respon-
 5 sibilities under section 24308 of title 49, United States
 6 Code, and this Act.

7 (d) CHANGE OF REFERENCE.—Section 24308 is
 8 amended—

9 (1) by striking “Interstate Commerce Commis-
 10 sion” in subsection (a)(2)(A) and inserting “Surface
 11 Transportation Board”;

12 (2) by striking “Commission” each place it ap-
 13 pears and inserting “Board”;

14 (3) by striking “Secretary of Transportation”
 15 in subsection (c) and inserting “Board”; and

16 (4) by striking “Secretary” the last 3 places it
 17 appears in subsection (c) and each place it appears
 18 in subsections (d) and (e) and inserting “Board”.

19 **SEC. 210. LONG DISTANCE ROUTES.**

20 (a) IN GENERAL.—Chapter 247 is amended by add-
 21 ing at the end thereof the following:

22 **“§ 24710. Long distance routes**

23 “(a) ANNUAL EVALUATION.—Using the financial and
 24 performance metrics developed under section 208 of the

1 Passenger Rail Investment and Improvement Act of 2007,

2 Amtrak shall—

3 “(1) evaluate annually the financial and oper-
4 ating performance of each long distance passenger
5 rail route operated by Amtrak; and

6 “(2) rank the overall performance of such
7 routes for 2006 and identify each long distance pas-
8 senger rail route operated by Amtrak in 2006 ac-
9 cording to its overall performance as belonging to
10 the best performing third of such routes, the second
11 best performing third of such routes, or the worst
12 performing third of such routes.

13 “(b) PERFORMANCE IMPROVEMENT PLAN.—Amtrak
14 shall develop and publish a performance improvement plan
15 for its long distance passenger rail routes to achieve finan-
16 cial and operating improvements based on the data col-
17 lected through the application of the financial and per-
18 formance metrics developed under section 208 of that Act.

19 The plan shall address—

20 “(1) on-time performance;

21 “(2) scheduling, frequency, routes, and stops;

22 “(3) the feasibility of restructuring service into
23 connected corridor service;

24 “(4) performance-related equipment changes
25 and capital improvements;

1 “(5) on-board amenities and service, including
2 food, first class, and sleeping car service;

3 “(6) State or other non-Federal financial con-
4 tributions;

5 “(7) improving financial performance; and

6 “(8) other aspects of Amtrak’s long distance
7 passenger rail routes that affect the financial, com-
8 petitive, and functional performance of service on
9 Amtrak’s long distance passenger rail routes.

10 “(c) IMPLEMENTATION.—Amtrak shall implement
11 the performance improvement plan developed under sub-
12 section (b)—

13 “(1) beginning in fiscal year 2008 for those
14 routes identified as being in the worst performing
15 third under subsection (a)(2);

16 “(2) beginning in fiscal year 2009 for those
17 routes identified as being in the second best per-
18 forming third under subsection (a)(2); and

19 “(3) beginning in fiscal year 2010 for those
20 routes identified as being in the best performing
21 third under subsection (a)(2).

22 “(d) ENFORCEMENT.—The Federal Railroad Admin-
23 istration shall monitor the development, implementation,
24 and outcome of improvement plans under this section. If,
25 for any year, it determines that Amtrak is not making

1 reasonable progress in implementing its performance im-
 2 provement plan or in achieving the expected outcome of
 3 the plan for any calendar year, the Federal Railroad Ad-
 4 ministration—

5 “(1) shall notify Amtrak, the Inspector General
 6 of the Department of Transportation, and appro-
 7 priate Congressional committees of its determination
 8 under this subsection;

9 “(2) shall provide an opportunity for a hearing
 10 with respect to that determination; and

11 “(3) may withhold any appropriated funds oth-
 12 erwise available to Amtrak for the operation of a
 13 route or routes on which it is not making progress,
 14 other than funds made available for passenger safety
 15 or security measures.”.

16 (b) CONFORMING AMENDMENT.—The chapter anal-
 17 ysis for chapter 247 is amended by inserting after the item
 18 relating to section 24709 the following:

“24710. Long distance routes.”.

19 **SEC. 210A. REPORT ON SERVICE DELAYS ON CERTAIN PAS-**
 20 **SENGER RAIL ROUTES.**

21 Not later than 6 months after the date of the enact-
 22 ment of this Act, the Inspector General of the Department
 23 of Transportation shall submit to Congress a report
 24 that—

1 (1) describes service delays and the sources of
2 such delays on—

3 (A) the Amtrak passenger rail route be-
4 tween Seattle, Washington, and Los Angeles,
5 California (commonly known as the “Coast
6 Starlight”); and

7 (B) the Amtrak passenger rail route be-
8 tween Vancouver, British Columbia, Canada,
9 and Eugene, Oregon (commonly known as
10 “Amtrak Cascades”); and

11 (2) contains recommendations for improving the
12 on-time performance of such routes.

13 **SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PRO-**
14 **GRAM.**

15 (a) IN GENERAL.—Chapter 247, as amended by sec-
16 tion 209, is amended by adding at the end thereof the
17 following:

18 **“§ 24711. Alternate passenger rail service program**

19 “(a) IN GENERAL.—Within 1 year after the date of
20 enactment of the Passenger Rail Investment and Improve-
21 ment Act of 2007, the Federal Railroad Administration
22 shall initiate a rulemaking proceeding to develop a pro-
23 gram under which—

24 “(1) a rail carrier or rail carriers that own in-
25 frastructure over which Amtrak operates a pas-

1 senger rail service route described in subparagraph
2 (B), (C), or (D) of section 24102(5) or in section
3 24702 of title 49, United States Code, or any entity
4 operating as a rail carrier that has negotiated a con-
5 tingent agreement to lease necessary rights-of-way
6 from a rail carrier or rail carriers that own the in-
7 frastructure on which Amtrak operates such routes,
8 may petition the Federal Railroad Administration to
9 be considered as a passenger rail service provider
10 over that route in lieu of Amtrak;

11 “(2) the Administration would notify Amtrak
12 within 30 days after receiving a petition under para-
13 graph (1) and establish a deadline by which both the
14 petitioner and Amtrak would be required to submit
15 a bid to provide passenger rail service over the route
16 to which the petition relates;

17 “(3) each bid would describe how the bidder
18 would operate the route, what Amtrak passenger
19 equipment would be needed, if any, what sources of
20 non-Federal funding the bidder would use, including
21 any State subsidy, among other things;

22 “(4) the Administration would make a decision
23 and execute a contract within a specified, limited
24 time after that deadline awarding to the winning
25 bidder—

1 “(A) the right and obligation to provide
 2 passenger rail service over that route subject to
 3 such performance standards as the Administra-
 4 tion may require, consistent with the standards
 5 developed under section 208 of this Act; and

6 “(B) an operating subsidy—

7 “(i) for the first year at a level not in
 8 excess of the level in effect during the fis-
 9 cal year preceding the fiscal year in which
 10 the petition was received, adjusted for in-
 11 flation;

12 “(ii) for any subsequent years at such
 13 level, adjusted for inflation; and

14 “(5) each bid would contain a staffing plan de-
 15 scribing the number of employees needed to operate
 16 the service, the job assignments and requirements,
 17 and the terms of work for prospective and current
 18 employees of the bidder for the service outlined in
 19 the bid, and such staffing plan would be made avail-
 20 able by the winning bidder to the public after the bid
 21 award.

22 “(b) IMPLEMENTATION.—

23 “(1) INITIAL PETITIONS.—Pursuant to any
 24 rules or regulations promulgated under subsection

1 (A), the Administration shall establish a deadline for
 2 the submission of a petition under subsection (a)—

3 “(A) during fiscal year 2008 for operations
 4 commencing in fiscal year 2009; and

5 “(B) during the immediately preceding fis-
 6 cal year for operations commencing in subse-
 7 quent fiscal years.

8 “(2) ROUTE LIMITATIONS.—The Administra-
 9 tion may not make the program available with re-
 10 spect to more than 1 Amtrak passenger rail route
 11 for operations beginning in fiscal year 2009 nor to
 12 more than 2 such routes for operations beginning in
 13 fiscal year 2011 and subsequent fiscal years.

14 “(c) PERFORMANCE STANDARDS; ACCESS TO FACILI-
 15 TIES; EMPLOYEES.—If the Administration awards the
 16 right and obligation to provide passenger rail service over
 17 a route under the program to a rail carrier or rail car-
 18 riers—

19 “(1) it shall execute a contract with the rail
 20 carrier or rail carriers for rail passenger operations
 21 on that route that conditions the operating and sub-
 22 sidy rights upon—

23 “(A) the service provider continuing to
 24 provide passenger rail service on the route that
 25 is no less frequent, nor over a shorter distance,

1 than Amtrak provided on that route before the
2 award; and

3 “(B) the service provider’s compliance with
4 the minimum standards established under sec-
5 tion 208 of the Passenger Rail Investment and
6 Improvement Act of 2007 and such additional
7 performance standards as the Administration
8 may establish;

9 “(2) it shall, if the award is made to a rail car-
10 rier other than Amtrak, require Amtrak to provide
11 access to its reservation system, stations, and facili-
12 ties to any rail carrier or rail carriers awarded a
13 contract under this section, in accordance with sec-
14 tion 218 of that Act, necessary to carry out the pur-
15 poses of this section;

16 “(3) the employees of any person used by a rail
17 carrier or rail carriers (as defined in section
18 10102(5) of this title) in the operation of a route
19 under this section shall be considered an employee of
20 that carrier or carriers and subject to the applicable
21 Federal laws and regulations governing similar
22 crafts or classes of employees of Amtrak, including
23 provisions under section 121 of the Amtrak Reform
24 and Accountability Act of 1997 relating to employ-
25 ees that provide food and beverage service; and

1 “(4) the winning bidder shall provide preference
 2 in hiring to qualified Amtrak employees displaced by
 3 the award of the bid, consistent with the staffing
 4 plan submitted by the bidder.

5 “(d) CESSATION OF SERVICE.—If a rail carrier or
 6 rail carriers awarded a route under this section cease to
 7 operate the service or fail to fulfill their obligations under
 8 the contract required under subsection (c), the Adminis-
 9 trator, in collaboration with the Surface Transportation
 10 Board shall take any necessary action consistent with this
 11 title to enforce the contract and ensure the continued pro-
 12 vision of service, including the installment of an interim
 13 service provider and re-bidding the contract to operate the
 14 service. The entity providing service shall either be Am-
 15 trak or a rail carrier defined in section 24711(a)(1).

16 “(e) ADEQUATE RESOURCES.—Before taking any ac-
 17 tion allowed under this section, the Secretary shall certify
 18 that the Administrator has sufficient resources that are
 19 adequate to undertake the program established under this
 20 section.”.

21 (b) CONFORMING AMENDMENT.—The chapter anal-
 22 ysis for chapter 247, as amended by section 209, is
 23 amended by inserting after the item relating to section
 24 24710 the following:

“24711. Alternate passenger rail service program.”.

1 **SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.**

2 (a) PROVISION OF FINANCIAL INCENTIVES.—For
3 Amtrak employees who are adversely affected by the ces-
4 sation of the operation of a long distance route or any
5 other route under section 24711 of title 49, United States
6 Code, previously operated by Amtrak, the Secretary shall
7 develop a program under which the Secretary may, in the
8 Secretary's discretion, provide grants for financial incen-
9 tives to be provided to employees of the National Railroad
10 Passenger Corporation who voluntarily terminate their
11 employment with the Corporation and relinquish any legal
12 rights to receive termination-related payments under any
13 contractual agreement with the Corporation.

14 (b) CONDITIONS FOR FINANCIAL INCENTIVES.—As a
15 condition for receiving financial assistance grants under
16 this section, the Corporation must certify that—

17 (1) a reasonable attempt was made to reassign
18 an employee adversely affected under section 24711
19 of title 49, United States Code, or by the elimination
20 of any route, to other positions within the Corpora-
21 tion in accordance with any contractual agreements;

22 (2) the financial assistance results in a net re-
23 duction in the total number of employees equal to
24 the number receiving financial incentives;

25 (3) the financial assistance results in a net re-
26 duction in total employment expense equivalent to

1 the total employment expenses associated with the
2 employees receiving financial incentives; and

3 (4) the total number of employees eligible for
4 termination-related payments will not be increased
5 without the express written consent of the Secretary.

6 (c) AMOUNT OF FINANCIAL INCENTIVES.—The fi-
7 nancial incentives authorized under this section may be
8 no greater than \$50,000 per employee.

9 (d) AUTHORIZATION OF APPROPRIATIONS.—There
10 are hereby authorized to be appropriated to the Secretary
11 such sums as may be necessary to make grants to the Na-
12 tional Railroad Passenger Corporation to provide financial
13 incentives under subsection (a).

14 (e) TERMINATION-RELATED PAYMENTS.—If Amtrak
15 employees adversely affected by the cessation of Amtrak
16 service resulting from the awarding of a grant to an oper-
17 ator other than Amtrak for the operation of a route under
18 section 24711 of title 49, United States Code, or any other
19 route, previously operated by Amtrak do not receive finan-
20 cial incentives under subsection (a), then the Secretary
21 shall make grants to the National Railroad Passenger Cor-
22 poration from funds authorized by section 102 of this Act
23 for termination-related payments to employees under ex-
24 isting contractual agreements.

1 **SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR**
2 **PLAN.**

3 (a) IN GENERAL.—Within 6 months after the date
4 of enactment of this Act, the National Railroad Passenger
5 Corporation, in consultation with the Secretary and the
6 States (including the District of Columbia) that make up
7 the Northeast Corridor (as defined in section 24102 of
8 title 49, United States Code), shall prepare a capital
9 spending plan for capital projects required to return the
10 railroad right-of-way (including track, signals, and auxil-
11 iary structures), facilities, stations, and equipment, of the
12 Northeast Corridor to a state of good repair by the end
13 of fiscal year 2012, consistent with the funding levels au-
14 thorized in this Act and shall submit the plan to the Sec-
15 retary.

16 (b) APPROVAL BY THE SECRETARY.—

17 (1) The Corporation shall submit the capital
18 spending plan prepared under this section to the
19 Secretary of Transportation for review and approval
20 pursuant to the procedures developed under section
21 205 of this Act.

22 (2) The Secretary of Transportation shall re-
23 quire that the plan be updated at least annually and
24 shall review and approve such updates. During re-
25 view, the Secretary shall seek comments and review
26 from the commission established under section

1 24905 of title 49, United States Code, and other
2 Northeast Corridor users regarding the plan.

3 (3) The Secretary shall make grants to the Cor-
4 poration with funds authorized by section 101(b) for
5 Northeast Corridor capital investments contained
6 within the capital spending plan prepared by the
7 Corporation and approved by the Secretary.

8 (4) Using the funds authorized by section
9 101(d), the Secretary shall review Amtrak's capital
10 expenditures funded by this section to ensure that
11 such expenditures are consistent with the capital
12 spending plan and that Amtrak is providing ade-
13 quate project management oversight and fiscal con-
14 trols.

15 (c) ELIGIBILITY OF EXPENDITURES.—The Federal
16 share of expenditures for capital improvements under this
17 section may not exceed 100 percent.

18 **SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND**
19 **OPERATIONS IMPROVEMENTS.**

20 (a) IN GENERAL.—Section 24905 is amended to read
21 as follows:

1 **“§ 24905. Northeast Corridor Infrastructure and Op-**
2 **erations Advisory Commission; Safety**
3 **and Security Committee**

4 “(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND
5 OPERATIONS ADVISORY COMMISSION.—

6 “(1) Within 180 days after the date of enact-
7 ment of the Passenger Rail Investment and Im-
8 provement Act of 2007, the Secretary of Transpor-
9 tation shall establish a Northeast Corridor Infra-
10 structure and Operations Advisory Commission
11 (hereinafter referred to in this section as the ‘Com-
12 mission’) to promote mutual cooperation and plan-
13 ning pertaining to the rail operations and related ac-
14 tivities of the Northeast Corridor. The Commission
15 shall be made up of—

16 “(A) members representing the National
17 Railroad Passenger Corporation;

18 “(B) members representing the Secretary
19 of Transportation and the Federal Railroad Ad-
20 ministration;

21 “(C) 1 member from each of the States
22 (including the District of Columbia) that con-
23 stitute the Northeast Corridor as defined in sec-
24 tion 24102, designated by, and serving at the
25 pleasure of, the chief executive officer thereof;
26 and

1 “(D) non-voting representatives of freight
2 railroad carriers using the Northeast Corridor
3 selected by the Secretary.

4 “(2) The Secretary shall ensure that the mem-
5 bership belonging to any of the groups enumerated
6 under subparagraph (1) shall not constitute a major-
7 ity of the commission’s memberships.

8 “(3) The commission shall establish a schedule
9 and location for convening meetings, but shall meet
10 no less than four times per fiscal year, and the com-
11 mission shall develop rules and procedures to govern
12 the commission’s proceedings.

13 “(4) A vacancy in the Commission shall be
14 filled in the manner in which the original appoint-
15 ment was made.

16 “(5) Members shall serve without pay but shall
17 receive travel expenses, including per diem in lieu of
18 subsistence, in accordance with sections 5702 and
19 5703 of title 5, United States Code.

20 “(6) The Chairman of the Commission shall be
21 elected by the members.

22 “(7) The Commission may appoint and fix the
23 pay of such personnel as it considers appropriate.

24 “(8) Upon request of the Commission, the head
25 of any department or agency of the United States

1 may detail, on a reimbursable basis, any of the per-
2 sonnel of that department or agency to the Commis-
3 sion to assist it in carrying out its duties under this
4 section.

5 “(9) Upon the request of the Commission, the
6 Administrator of General Services shall provide to
7 the Commission, on a reimbursable basis, the admin-
8 istrative support services necessary for the Commis-
9 sion to carry out its responsibilities under this sec-
10 tion.

11 “(10) The commission shall consult with other
12 entities as appropriate.

13 “(b) GENERAL RECOMMENDATIONS.—The Commis-
14 sion shall develop recommendations concerning Northeast
15 Corridor rail infrastructure and operations including pro-
16 posals addressing, as appropriate—

17 “(1) short-term and long term capital invest-
18 ment needs beyond the state-of-good-repair under
19 section 213;

20 “(2) future funding requirements for capital
21 improvements and maintenance;

22 “(3) operational improvements of intercity pas-
23 senger rail, commuter rail, and freight rail services;

24 “(4) opportunities for additional non-rail uses
25 of the Northeast Corridor;

- 1 “(5) scheduling and dispatching;
- 2 “(6) safety and security enhancements;
- 3 “(7) equipment design;
- 4 “(8) marketing of rail services; and
- 5 “(9) future capacity requirements.

6 “(c) ACCESS COSTS.—

7 “(1) DEVELOPMENT OF FORMULA.—Within 1
 8 year after verification of Amtrak’s new financial ac-
 9 counting system pursuant to section 203(b) of the
 10 Passenger Rail Investment and Improvement Act of
 11 2007, the Commission shall—

12 “(A) develop a standardized formula for
 13 determining and allocating costs, revenues, and
 14 compensation for Northeast Corridor commuter
 15 rail passenger transportation, as defined in sec-
 16 tion 24102 of this title, that use National Rail-
 17 road Passenger Corporation facilities or services
 18 or that provide such facilities or services to the
 19 National Railroad Passenger Corporation that
 20 ensure that—

21 “(i) there is no cross-subsidization of
 22 commuter rail passenger, intercity rail pas-
 23 senger, or freight rail transportation; and

24 “(ii) each service is assigned the costs
 25 incurred only for the benefit of that serv-

1 ice, and a proportionate share, based upon
2 factors that reasonably reflect relative use,
3 of costs incurred for the common benefit of
4 more than 1 service;

5 “(B) develop a proposed timetable for im-
6 plementing the formula before the end of the
7 6th year following the date of enactment of that
8 Act;

9 “(C) transmit the proposed timetable to
10 the Surface Transportation Board; and

11 “(D) at the request of a Commission mem-
12 ber, petition the Surface Transportation Board
13 to appoint a mediator to assist the Commission
14 members through non-binding mediation to
15 reach an agreement under this section.

16 “(2) IMPLEMENTATION.—The National Rail-
17 road Passenger Corporation and the commuter au-
18 thorities providing commuter rail passenger trans-
19 portation on the Northeast Corridor shall implement
20 new agreements for usage of facilities or services
21 based on the formula proposed in paragraph (1) in
22 accordance with the timetable established therein. If
23 the entities fail to implement such new agreements
24 in accordance with the timetable, the Commission
25 shall petition the Surface Transportation Board to

1 determine the appropriate compensation amounts for
2 such services in accordance with section 24904(c) of
3 this title. The Surface Transportation Board shall
4 enforce its determination on the party or parties in-
5 volved.

6 “(d) TRANSMISSION OF RECOMMENDATIONS.—The
7 commission shall annually transmit the recommendations
8 developed under subsection (b) and the formula and time-
9 table developed under subsection (c)(1) to the Senate
10 Committee on Commerce, Science, and Transportation
11 and the House of Representatives Committee on Trans-
12 portation and Infrastructure.

13 “(e) NORTHEAST CORRIDOR SAFETY AND SECURITY
14 COMMITTEE.—

15 “(1) IN GENERAL.—The Secretary shall estab-
16 lish a Northeast Corridor Safety and Security Com-
17 mittee composed of members appointed by the Sec-
18 retary. The members shall be representatives of—

19 “(A) the Secretary;

20 “(B) Amtrak;

21 “(C) freight carriers operating more than
22 150,000 train miles a year on the main line of
23 the Northeast Corridor;

24 “(D) commuter agencies;

25 “(E) rail passengers;

1 “(F) rail labor;

2 “(G) the Transportation Security Adminis-
3 tration; and

4 “(H) other individuals and organizations
5 the Secretary decides have a significant interest
6 in rail safety or security.

7 “(2) FUNCTION; MEETINGS.—The Secretary
8 shall consult with the Committee about safety and
9 security improvements on the Northeast Corridor
10 main line. The Committee shall meet at least once
11 every 2 years to consider safety matters on the main
12 line.

13 “(3) REPORT.—At the beginning of the first
14 session of each Congress, the Secretary shall submit
15 a report to the Commission and to Congress on the
16 status of efforts to improve safety and security on
17 the Northeast Corridor main line. The report shall
18 include the safety recommendations of the Com-
19 mittee and the comments of the Secretary on those
20 recommendations.”.

21 (b) CONFORMING AMENDMENTS.—Section
22 24904(c)(2) is amended by—

23 (1) inserting “commuter rail passenger and”
24 after “between”; and

25 (2) striking “freight” in the second sentence.

1 (c) RIDOT ACCESS AGREEMENT.—

2 (1) IN GENERAL.—Not later than December 15,
3 2007, Amtrak and the Rhode Island Department of
4 Transportation shall enter into an agreement gov-
5 erning access fees and other costs or charges related
6 to the operation of the South County commuter rail
7 service on the Northeast Corridor between Provi-
8 dence and Wickford Junction, Rhode Island.

9 (2) FAILURE TO REACH AGREEMENT.—If Am-
10 trak and the Rhode Island Department of Transpor-
11 tation fail to reach the agreement specified under
12 paragraph (1), the Administrator of the Federal
13 Railroad Administration shall, after consultation
14 with both parties, resolve any outstanding disagree-
15 ments between the parties, including setting access
16 fees and other costs or charges related to the oper-
17 ation of the South County commuter rail service
18 that do not allow for the cross-subsidization of inter-
19 city rail passenger and commuter rail passenger
20 service, not later than October 31, 2007.

21 (3) INTERIM AGREEMENT.—Any agreement be-
22 tween Amtrak and the Rhode Island Department of
23 Transportation relating to access costs made under
24 this subsection shall be superseded by any access
25 cost formula developed by the Northeast Corridor

1 Infrastructure and Operations Advisory Commission
2 under section 24905(c)(1) of title 49, United States
3 Code, as amended by section 214(a) of this Act.

4 (d) ACELA SERVICE STUDY.—

5 (1) IN GENERAL.—Amtrak shall conduct a con-
6 duct a study to determine the infrastructure and
7 equipment improvements necessary to provide reg-
8 ular Acela service—

9 (A) between Washington, D.C. and New
10 York City in 2 hours and 30 minutes; and

11 (B) between New York City and Boston in
12 3 hours and 15 minutes.

13 (2) ISSUES.—The study conducted under para-
14 graph (1) shall include—

15 (A) an estimated time frame for achieving
16 the trip time described in paragraph (1);

17 (B) an analysis of any significant obstacles
18 that would hinder such an achievement; and

19 (C) a detailed description and cost esti-
20 mate of the specific infrastructure and equip-
21 ment improvements necessary for such an
22 achievement.

23 (3) SECONDARY STUDY.—Amtrak shall provide
24 an initial assessment of the infrastructure and
25 equipment improvements, including an order of mag-

1 nitude cost estimate of such improvements, that
 2 would be necessary to provide regular Acela serv-
 3 ice—

4 (A) between Washington, D.C. and New
 5 York City in 2 hours and 15 minutes; and

6 (B) between New York City and Boston in
 7 3 hours.

8 (4) REPORT.—Not later than February 1,
 9 2008, Amtrak shall submit a written report con-
 10 taining the results of the studies required under this
 11 subsection to—

12 (A) the Committee on Commerce, Science,
 13 and Transportation of the Senate;

14 (B) the Committee on Appropriations of
 15 the Senate;

16 (C) the Committee on Transportation and
 17 Infrastructure of the House of Representatives;

18 (D) the Committee on Appropriations of
 19 the House of Representatives; and

20 (E) the Federal Railroad Administration.

21 **SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAP-**
 22 **ITAL LEASES.**

23 (a) IN GENERAL.—The Secretary of the Treasury, in
 24 consultation with the Secretary of Transportation and
 25 Amtrak, may make agreements to restructure Amtrak's

1 indebtedness as of the date of enactment of this Act. This
2 authorization expires on October 1, 2008.

3 (b) DEBT RESTRUCTURING.—The Secretary of
4 Treasury, in consultation with the Secretary of the Trans-
5 portation and Amtrak, shall enter into negotiations with
6 the holders of Amtrak debt, including leases, outstanding
7 on the date of enactment of this Act for the purpose of
8 restructuring (including repayment) and repaying that
9 debt. The Secretary of the Treasury may secure agree-
10 ments for restructuring or repayment on such terms as
11 the Secretary of the Treasury deems favorable to the in-
12 terests of the Government.

13 (c) CRITERIA.—In restructuring Amtrak’s indebted-
14 ness, the Secretary and Amtrak—

15 (1) shall take into consideration repayment
16 costs, the term of any loan or loans, and market
17 conditions; and

18 (2) shall ensure that the restructuring results
19 in significant savings to Amtrak and the United
20 States Government.

21 (d) PAYMENT OF RENEGOTIATED DEBT.—If the cri-
22 teria under subsection (c) are met, the Secretary of Treas-
23 ury may assume or repay the restructured debt, as appro-
24 priate.

1 (e) AMTRAK PRINCIPAL AND INTEREST PAY-
2 MENTS.—

3 (1) PRINCIPAL ON DEBT SERVICE.—Unless the
4 Secretary of Treasury makes sufficient payments to
5 creditors under subsection (d) so that Amtrak is re-
6 quired to make no payments to creditors in a fiscal
7 year, the Secretary of Transportation shall use
8 funds authorized by section 103(a)(1) for the use of
9 Amtrak for retirement of principal on loans for cap-
10 ital equipment, or capital leases.

11 (2) INTEREST ON DEBT.—Unless the Secretary
12 of Treasury makes sufficient payments to creditors
13 under subsection (d) so that Amtrak is required to
14 make no payments to creditors in a fiscal year, the
15 Secretary of Transportation shall use funds author-
16 ized by section 103(a)(2) for the use of Amtrak for
17 the payment of interest on loans for capital equip-
18 ment, or capital leases.

19 (3) REDUCTIONS IN AUTHORIZATION LEVELS.—
20 Whenever action taken by the Secretary of the
21 Treasury under subsection (a) results in reductions
22 in amounts of principal or interest that Amtrak
23 must service on existing debt, the corresponding
24 amounts authorized by section 103(a)(1) or (2) shall
25 be reduced accordingly.

1 (f) LEGAL EFFECT OF PAYMENTS UNDER THIS SEC-
2 TION.—The payment of principal and interest on secured
3 debt, other than debt assumed under subsection (d), with
4 the proceeds of grants under subsection (e) shall not—

5 (1) modify the extent or nature of any indebt-
6 edness of the National Railroad Passenger Corpora-
7 tion to the United States in existence of the date of
8 enactment of this Act;

9 (2) change the private nature of Amtrak’s or its
10 successors’ liabilities; or

11 (3) imply any Federal guarantee or commit-
12 ment to amortize Amtrak’s outstanding indebted-
13 ness.

14 (g) SECRETARY APPROVAL.—Amtrak may not incur
15 more debt after the date of enactment of this Act without
16 the express advance approval of the Secretary of Trans-
17 portation.

18 (h) REPORT.—The Secretary of the Treasury shall
19 transmit a report to the Senate Committee on Commerce,
20 Science, and Transportation, the Senate Committee on
21 Appropriations, the House of Representatives Committee
22 on Transportation and Infrastructure, and the House of
23 Representatives Committee on Appropriations by Novem-
24 ber 1, 2008—

1 (1) describing in detail any agreements to re-
2 structure the Amtrak debt; and

3 (2) providing an estimate of the savings to Am-
4 trak and the United States Government.

5 **SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EX-**
6 **ISTING INTERCITY RAIL STATIONS.**

7 Amtrak, in consultation with station owners, shall
8 evaluate the improvements necessary to make all existing
9 stations it serves readily accessible to and usable by indi-
10 viduals with disabilities, as required by section 242(e)(2)
11 of the Americans with Disabilities Act of 1990 (42 U.S.C.
12 12162(e)(2)). The evaluation shall include the estimated
13 cost of the improvements necessary, the identification of
14 the responsible person (as defined in section 241(5) of
15 that Act (42 U.S.C. 12161(5))), and the earliest prac-
16 ticable date when such improvements can be made. Am-
17 trak shall submit the evaluation to the Senate Committee
18 on Commerce, Science, and Transportation, the House of
19 Representatives Committee on Transportation and Infra-
20 structure, and the National Council on Disability by Sep-
21 tember 30, 2008, along with recommendations for funding
22 the necessary improvements.

1 **SEC. 217. INCENTIVE PAY.**

2 The Amtrak Board of Directors is encouraged to de-
3 velop an incentive pay program for Amtrak management
4 employees.

5 **SEC. 218. ACCESS TO AMTRAK EQUIPMENT AND SERVICES.**

6 If a State desires to select or selects an entity other
7 than Amtrak to provide services required for the operation
8 of an intercity passenger train route described in section
9 24102(5)(D) or 24702 of title 49, United States Code,
10 the State may make an agreement with Amtrak to use
11 facilities and equipment of, or have services provided by,
12 Amtrak under terms agreed to by the State and Amtrak
13 to enable the State to utilize an entity other than Amtrak
14 to provide services required for operation of the route. If
15 the parties cannot agree upon terms, and the Surface
16 Transportation Board finds that access to Amtrak's facili-
17 ties or equipment, or the provision of services by Amtrak,
18 is necessary to carry out this provision and that the oper-
19 ation of Amtrak's other services will not be impaired
20 thereby, the Surface Transportation Board shall, within
21 120 days after submission of the dispute, issue an order
22 that the facilities and equipment be made available, and
23 that services be provided, by Amtrak, and shall determine
24 reasonable compensation, liability and other terms for use
25 of the facilities and equipment and provision of the serv-
26 ices. Compensation shall be determined in accord with the

1 methodology established pursuant to section 206 of this
2 Act.

3 **SEC. 219. GENERAL AMTRAK PROVISIONS.**

4 (a) REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.

5 (1) PLAN REQUIRED.—Section 24101(d) is
6 amended—

7 (A) by striking “plan to operate within the
8 funding levels authorized by section 24104 of
9 this chapter, including the budgetary goals for
10 fiscal years 1998 through 2002.” and inserting
11 “plan, consistent with section 204 of the Pas-
12 senger Rail Investment and Improvement Act of
13 2007, including the budgetary goals for fiscal
14 years 2007 through 2012.”; and

15 (B) by striking the last sentence and in-
16 serting “Amtrak and its Board of Directors
17 shall adopt a long term plan that minimizes the
18 need for Federal operating subsidies.”.

19 (2) AMTRAK REFORM AND ACCOUNTABILITY
20 ACT AMENDMENTS.—Title II of the Amtrak Reform
21 and Accountability Act of 1997 (49 U.S.C. 24101
22 nt) is amended by striking sections 204 and 205.

23 (b) LEASE ARRANGEMENTS.—Amtrak may obtain
24 services from the Administrator of General Services, and
25 the Administrator may provide services to Amtrak, under

1 section 201(b) and 211(b) of the Federal Property and
 2 Administrative Service Act of 1949 (40 U.S.C. 481(b) and
 3 491(b)) for each of fiscal years 2007 through 2012.

4 (c) TRAVEL FACILITATION.—Using existing author-
 5 ity or agreements, or upon reaching additional agreements
 6 with Canada, the Secretary of Transportation and other
 7 Federal agencies, as appropriate, are authorized to estab-
 8 lish facilities and procedures to conduct preclearance of
 9 passengers traveling on Amtrak trains from Canada to the
 10 United States. The Secretary shall seek to establish such
 11 facilities and procedures—

12 (1) in Vancouver, Canada, no later than June
 13 1, 2008; and

14 (2) in other areas as determined appropriate by
 15 the Secretary.

16 **SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER**
 17 **TRAINS.**

18 Amtrak is encouraged to increase the operation of
 19 trains funded by, or in partnership with, private sector
 20 operators through competitive contracting to minimize the
 21 need for Federal subsidies. Amtrak shall utilize the provi-
 22 sions of section 24308 of title 49, United States Code,
 23 when necessary to obtain access to facilities, train and en-
 24 gine crews, or services of a rail carrier or regional trans-

1 portation authority that are required to operate such
2 trains.

3 **SEC. 221. ON-BOARD SERVICE IMPROVEMENTS.**

4 (a) IN GENERAL.—Within 1 year after metrics and
5 standards are established under section 208 of this Act,
6 Amtrak shall develop and implement a plan to improve
7 on-board service pursuant to the metrics and standards
8 for such service developed under that section.

9 (b) REPORT.—Amtrak shall provide a report to the
10 Senate Committee on Commerce, Science, and Transpor-
11 tation and the House of Representatives Committee on
12 Transportation and Infrastructure on the on-board service
13 improvements proscribed in the plan and the timeline for
14 implementing such improvements.

15 **SEC. 222. AMTRAK MANAGEMENT ACCOUNTABILITY.**

16 (a) IN GENERAL.—Chapter 243 is amended by in-
17 serting after section 24309 the following:

18 **“§ 24310. Management accountability**

19 “(a) IN GENERAL.—Three years after the date of en-
20 actment of the Passenger Rail Investment and Improve-
21 ment Act of 2007, and two years thereafter, the Inspector
22 General of the Department of Transportation shall com-
23 plete an overall assessment of the progress made by Am-
24 trak management and the Department of Transportation
25 in implementing the provisions of that Act.

1 “(b) ASSESSMENT.—The management assessment
 2 undertaken by the Inspector General may include a review
 3 of—

4 “(1) effectiveness improving annual financial
 5 planning;

6 “(2) effectiveness in implementing improved fi-
 7 nancial accounting;

8 “(3) efforts to implement minimum train per-
 9 formance standards;

10 “(4) progress maximizing revenues and mini-
 11 mizing Federal subsidies; and

12 “(5) any other aspect of Amtrak operations the
 13 Inspector General finds appropriate to review.”.

14 (b) CONFORMING AMENDMENT.—The chapter anal-
 15 ysis for chapter 243 is amended by inserting after the item
 16 relating to section 24309 the following:

“24310. Management accountability.”.

17 **SEC. 223. LOCOMOTIVE BIODIESEL FUEL USE STUDY.**

18 (a) IN GENERAL.—The Federal Railroad Administra-
 19 tion, in consultation with the Secretary of Energy and the
 20 Administrator of the Environmental Protection Agency,
 21 shall conduct a study to determine the extent to which
 22 Amtrak could use biodiesel fuel blends to power its fleet
 23 of locomotives and any of its other motor vehicles that can
 24 operate on diesel fuel.

1 (b) FACTORS.—In conducting the study, the Federal
2 Railroad Administration shall consider—

3 (1) environmental and energy security effects of
4 biodiesel fuel use;

5 (2) the cost of purchasing biodiesel fuel blends
6 for such purposes;

7 (3) whether sufficient biodiesel fuel is readily
8 available; and

9 (4) the effect of biodiesel fuel use on relevant
10 performance or warranty specifications.

11 (c) REPORT.—Not later than April 1, 2008, the Fed-
12 eral Railroad Administration shall report the results of its
13 study to the Congress together with such findings, conclu-
14 sions, and recommendations as it deems appropriate.

15 **SEC. 224. SENSE OF THE SENATE REGARDING THE NEED TO**
16 **MAINTAIN AMTRAK AS A NATIONAL PAS-**
17 **SENGER RAIL SYSTEM.**

18 (a) FINDINGS.—The Senate makes the following
19 findings:

20 (1) In fiscal year 2007, 3,800,000 passengers
21 traveled on Amtrak's long distance trains, an in-
22 crease of 2.4 percent over fiscal year 2006.

23 (2) Amtrak long-distance routes generated
24 \$376,000,000 in revenue in fiscal year 2007, an in-
25 crease of 5 percent over fiscal year 2006.

1 (3) Amtrak operates 15 long-distance trains
2 over 18,500 route miles that serve 39 States and the
3 District of Columbia. These trains provide the only
4 rail passenger service to 23 States.

5 (4) Amtrak's long-distance trains provide an es-
6 sential transportation service for many communities
7 and to a significant percentage of the general public.

8 (5) Many long-distance trains serve small com-
9 munities with limited or no significant air or bus
10 service, especially in remote or isolated areas in the
11 United States.

12 (6) As a result of airline deregulation and deci-
13 sions by national bus carriers to leave many commu-
14 nities, rail transportation may provide the only fea-
15 sible common carrier transportation option for a
16 growing number of areas.

17 (7) If long-distance trains were eliminated, 23
18 States and 243 communities would be left with no
19 intercity passenger rail service and 16 other States
20 would lose some rail service. These trains provide a
21 strong economic benefit for the States and commu-
22 nities that they serve.

23 (8) Long-distance trains also provide transpor-
24 tation during periods of severe weather or emer-
25 gencies that stall other modes of transportation.

1 (9) Amtrak provided the only reliable long-dis-
2 tance transportation following the September 11,
3 2001 terrorist attacks that grounded air travel.

4 (10) The majority of passengers on long-dis-
5 tance trains do not travel between the endpoints, but
6 rather between any combination of cities along the
7 route.

8 (11) Passenger trains provide transportation
9 options, mobility for underserved populations, con-
10 gestion mitigation, and jobs in the areas they serve.

11 (12) Passenger rail has a positive impact on the
12 environment compared to other modes of transpor-
13 tation by conserving energy, reducing greenhouse
14 gas emissions, and cutting down on other airborne
15 particulate and toxic emissions.

16 (13) Amtrak communities that are served use
17 passenger rail and passenger rail stations as a sig-
18 nificant source of economic development.

19 (14) This Act makes meaningful and important
20 reforms to increase the efficiency, profitability and
21 on-time performance of Amtrak's long-distance
22 routes.

23 (b) SENSE OF THE SENATE.—It is the sense of the
24 Senate that—

1 (1) long-distance passenger rail is a vital and
2 necessary part of our national transportation system
3 and economy; and

4 (2) Amtrak should maintain a national pas-
5 senger rail system, including long-distance routes,
6 that connects the continental United States from
7 coast to coast and from border to border.

8 **SEC. 225. PASSENGER RAIL STUDY.**

9 (a) IN GENERAL.—The Comptroller General of the
10 General Accountability Office shall conduct a study to de-
11 termine the potential cost and benefits of expanding pas-
12 senger rail service options in underserved communities.

13 (b) SUBMISSION.—Not later than 1 year after the
14 date of the enactment of this Act, the Comptroller General
15 shall submit a report containing the results of the study
16 conducted under this section to—

17 (1) the Committee on Commerce, Science, and
18 Transportation of the Senate; and

19 (2) the Committee on Transportation and In-
20 frastructure of the House of Representatives.

1 **TITLE III—INTERCITY**
 2 **PASSENGER RAIL POLICY**

3 **SEC. 301. CAPITAL ASSISTANCE FOR INTERCITY PAS-**
 4 **SENGER RAIL SERVICE; STATE RAIL PLANS.**

5 (a) IN GENERAL.—Part C of subtitle V is amended
 6 by inserting the following after chapter 243:

7 **“CHAPTER 244. INTERCITY PASSENGER RAIL**
 8 **SERVICE CORRIDOR CAPITAL ASSISTANCE**

“Sec.

“24401. Definitions.

“24402. Capital investment grants to support intercity passenger rail service.

“24403. Project management oversight.

“24404. Use of capital grants to finance first-dollar liability of grant project.

“24405. Grant conditions.

9 **“§ 24401. Definitions**

10 “In this subchapter:

11 “(1) APPLICANT.—The term ‘applicant’ means
 12 a State (including the District of Columbia), a group
 13 of States, an Interstate Compact, or a public agency
 14 established by one or more States and having re-
 15 sponsibility for providing intercity passenger rail
 16 service.

17 “(2) CAPITAL PROJECT.—The term ‘capital
 18 project’ means a project or program in a State rail
 19 plan developed under chapter 225 of this title for—

20 “(A) acquiring, constructing, improving, or
 21 inspecting equipment, track and track struc-
 22 tures, or a facility for use in or for the primary

benefit of intercity passenger rail service, expenses incidental to the acquisition or construction (including designing, engineering, location surveying, mapping, environmental studies, and acquiring rights-of-way), payments for the capital portions of rail trackage rights agreements, highway-rail grade crossing improvements related to intercity passenger rail service, security, mitigating environmental impacts, communication and signalization improvements, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;

“(B) rehabilitating, remanufacturing or overhauling rail rolling stock and facilities used primarily in intercity passenger rail service;

“(C) costs associated with developing State rail plans; and

“(D) the first-dollar liability costs for insurance related to the provision of intercity passenger rail service under section 24404.

“(3) INTERCITY PASSENGER RAIL SERVICE.—

The term ‘intercity passenger rail service’ means transportation services with the primary purpose of passenger transportation between towns, cities and

1 metropolitan areas by rail, including high-speed rail,
2 as defined in section 24102 of title 49, United
3 States Code.

4 **“§ 24402. Capital investment grants to support inter-**
5 **city passenger rail service**

6 “(a) GENERAL AUTHORITY.—

7 “(1) The Secretary of Transportation may
8 make grants under this section to an applicant to
9 assist in financing the capital costs of facilities, in-
10 frastructure, and equipment necessary to provide or
11 improve intercity passenger rail transportation.

12 “(2) The Secretary shall require that a grant
13 under this section be subject to the terms, condi-
14 tions, requirements, and provisions the Secretary de-
15 cides are necessary or appropriate for the purposes
16 of this section, including requirements for the dis-
17 position of net increases in value of real property re-
18 sulting from the project assisted under this section
19 and shall prescribe procedures and schedules for the
20 awarding of grants under this title, including appli-
21 cation and qualification procedures and a record of
22 decision on applicant eligibility. The Secretary shall
23 issue a final rule establishing such procedures not
24 later than 90 days after the date of enactment of

1 the Passenger Rail Investment and Improvement
2 Act of 2007.

3 “(b) PROJECT AS PART OF STATE RAIL PLAN.—

4 “(1) The Secretary may not approve a grant for
5 a project under this section unless the Secretary
6 finds that the project is part of a State rail plan de-
7 veloped under chapter 225 of this title, or under the
8 plan required by section 203 of the Passenger Rail
9 Investment and Improvement Act of 2007, and that
10 the applicant or recipient has or will have the legal,
11 financial, and technical capacity to carry out the
12 project, satisfactory continuing control over the use
13 of the equipment or facilities, and the capability and
14 willingness to maintain the equipment or facilities.

15 “(2) An applicant shall provide sufficient infor-
16 mation upon which the Secretary can make the find-
17 ings required by this subsection.

18 “(3) If an applicant has not selected the pro-
19 posed operator of its service competitively, the appli-
20 cant shall provide written justification to the Sec-
21 retary showing why the proposed operator is the
22 best, taking into account price and other factors,
23 and that use of the proposed operator will not un-
24 necessarily increase the cost of the project.

1 “(c) PROJECT SELECTION CRITERIA.—The Sec-
2 retary, in selecting the recipients of financial assistance
3 to be provided under subsection (a), shall—

4 “(1) require that each proposed project meet all
5 safety and security requirements that are applicable
6 to the project under law;

7 “(2) give preference to projects with high levels
8 of estimated ridership, increased on-time perform-
9 ance, reduced trip time, additional service frequency
10 to meet anticipated or existing demand, or other sig-
11 nificant service enhancements as measured against
12 minimum standards developed under section 208 of
13 the Passenger Rail Investment and Improvement
14 Act of 2007;

15 “(3) encourage intermodal connectivity through
16 projects that provide direct connections between
17 train stations, airports, bus terminals, subway sta-
18 tions, ferry ports, and other modes of transpor-
19 tation;

20 “(4) ensure that each project is compatible
21 with, and is operated in conformance with—

22 “(A) plans developed pursuant to the re-
23 quirements of section 135 of title 23, United
24 States Code; and

1 “(B) the national rail plan (if it is avail-
2 able); and

3 “(5) favor the following kinds of projects:

4 “(A) Projects that are expected to have a
5 significant favorable impact on air or highway
6 traffic congestion, capacity, or safety.

7 “(B) Projects that also improve freight or
8 commuter rail operations.

9 “(C) Projects that have significant envi-
10 ronmental benefits, including projects that in-
11 volve the purchase of environmentally sensitive,
12 fuel-efficient, and cost-effective passenger rail
13 equipment.

14 “(D) Projects that are—

15 “(i) at a stage of preparation that all
16 pre-commencement compliance with envi-
17 ronmental protection requirements has al-
18 ready been completed; and

19 “(ii) ready to be commenced.

20 “(E) Projects with positive economic and
21 employment impacts.

22 “(F) Projects that encourage the use of
23 positive train control technologies.

24 “(G) Projects that have commitments of
25 funding from non-Federal Government sources

1 in a total amount that exceeds the minimum
 2 amount of the non-Federal contribution re-
 3 quired for the project.

4 “(H) Projects that involve donated prop-
 5 erty interests or services.

6 “(I) Projects that are identified by the
 7 Surface Transportation Board as necessary to
 8 improve the on time performance and reliability
 9 of intercity passenger rail under section
 10 24308(f).

11 “(J) Projects described in section
 12 5302(a)(1)(G) of this title that are designed to
 13 support intercity passenger rail service.

14 “(d) AMTRAK ELIGIBILITY.—To receive a grant
 15 under this section, the National Railroad Passenger Cor-
 16 poration may enter into a cooperative agreement with 1
 17 or more States to carry out 1 or more projects on a State
 18 rail plan’s ranked list of rail capital projects developed
 19 under section 22504(a)(5) of this title.

20 “(e) LETTERS OF INTENT, FULL FUNDING GRANT
 21 AGREEMENTS, AND EARLY SYSTEMS WORK AGREE-
 22 MENTS.—

23 “(1)(A) The Secretary may issue a letter of in-
 24 tent to an applicant announcing an intention to obli-
 25 gate, for a major capital project under this section,

1 an amount from future available budget authority
2 specified in law that is not more than the amount
3 stipulated as the financial participation of the Sec-
4 retary in the project.

5 “(B) At least 30 days before issuing a letter
6 under subparagraph (A) of this paragraph or enter-
7 ing into a full funding grant agreement, the Sec-
8 retary shall notify in writing the Committee on
9 Transportation and Infrastructure of the House of
10 Representatives and the Committee on Commerce,
11 Science, and Transportation of the Senate and the
12 House and Senate Committees on Appropriations of
13 the proposed letter or agreement. The Secretary
14 shall include with the notification a copy of the pro-
15 posed letter or agreement as well as the evaluations
16 and ratings for the project.

17 “(C) An obligation or administrative commit-
18 ment may be made only when amounts are appro-
19 priated.

20 “(2)(A) The Secretary may make a full funding
21 grant agreement with an applicant. The agreement
22 shall—

23 “(i) establish the terms of participation by
24 the United States Government in a project
25 under this section;

1 “(ii) establish the maximum amount of
2 Government financial assistance for the project;

3 “(iii) cover the period of time for com-
4 pleting the project, including a period extending
5 beyond the period of an authorization; and

6 “(iv) make timely and efficient manage-
7 ment of the project easier according to the law
8 of the United States.

9 “(B) An agreement under this paragraph obli-
10 gates an amount of available budget authority speci-
11 fied in law and may include a commitment, contin-
12 gent on amounts to be specified in law in advance
13 for commitments under this paragraph, to obligate
14 an additional amount from future available budget
15 authority specified in law. The agreement shall state
16 that the contingent commitment is not an obligation
17 of the Government and is subject to the availability
18 of appropriations made by Federal law and to Fed-
19 eral laws in force on or enacted after the date of the
20 contingent commitment. Interest and other financing
21 costs of efficiently carrying out a part of the project
22 within a reasonable time are a cost of carrying out
23 the project under a full funding grant agreement,
24 except that eligible costs may not be more than the
25 cost of the most favorable financing terms reason-

ably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.

“(3)(A) The Secretary may make an early systems work agreement with an applicant if a record of decision under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) has been issued on the project and the Secretary finds there is reason to believe—

“(i) a full funding grant agreement for the project will be made; and

“(ii) the terms of the work agreement will promote ultimate completion of the project more rapidly and at less cost.

“(B) A work agreement under this paragraph obligates an amount of available budget authority specified in law and shall provide for reimbursement of preliminary costs of carrying out the project, including land acquisition, timely procurement of system elements for which specifications are decided, and other activities the Secretary decides are appropriate to make efficient, long-term project management easier. A work agreement shall cover the pe-

1 riod of time the Secretary considers appropriate.
2 The period may extend beyond the period of current
3 authorization. Interest and other financing costs of
4 efficiently carrying out the work agreement within a
5 reasonable time are a cost of carrying out the agree-
6 ment, except that eligible costs may not be more
7 than the cost of the most favorable financing terms
8 reasonably available for the project at the time of
9 borrowing. The applicant shall certify, in a way sat-
10 isfactory to the Secretary, that the applicant has
11 shown reasonable diligence in seeking the most fa-
12 vorable financing terms. If an applicant does not
13 carry out the project for reasons within the control
14 of the applicant, the applicant shall repay all Gov-
15 ernment payments made under the work agreement
16 plus reasonable interest and penalty charges the
17 Secretary establishes in the agreement.

18 “(4) The total estimated amount of future obli-
19 gations of the Government and contingent commit-
20 ments to incur obligations covered by all outstanding
21 letters of intent, full funding grant agreements, and
22 early systems work agreements may be not more
23 than the amount authorized under section 101(c) of
24 Passenger Rail Investment and Improvement Act of
25 2007, less an amount the Secretary reasonably esti-

1 mates is necessary for grants under this section not
2 covered by a letter. The total amount covered by
3 new letters and contingent commitments included in
4 full funding grant agreements and early systems
5 work agreements may be not more than a limitation
6 specified in law.

7 “(f) FEDERAL SHARE OF NET PROJECT COST.—

8 “(1)(A) Based on engineering studies, studies
9 of economic feasibility, and information on the ex-
10 pected use of equipment or facilities, the Secretary
11 shall estimate the net project cost.

12 “(B) A grant for the project shall not exceed 80
13 percent of the project net capital cost.

14 “(C) The Secretary shall give priority in allo-
15 cating future obligations and contingent commit-
16 ments to incur obligations to grant requests seeking
17 a lower Federal share of the project net capital cost.

18 “(2) Up to an additional 20 percent of the re-
19 quired non-Federal funds may be funded from
20 amounts appropriated to or made available to a de-
21 partment or agency of the Federal Government that
22 are eligible to be expended for transportation.

23 “(3) 50 percent of the average amounts ex-
24 pended by a State or group of States (including the
25 District of Columbia) for capital projects to benefit

intercity passenger rail service and operating costs of up to \$5,000,000 per fiscal year of such service in fiscal years 2003, 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded in fiscal years 2007, 2008, and 2009 under this section. The Secretary may require such information as necessary to verify such expenditures.

“(4) 50 percent of the average amounts expended by a State or group of States (including the District of Columbia) in a fiscal year, beginning in fiscal year 2007, for capital projects to benefit intercity passenger rail service or for the operating costs of such service above the average capital and operating expenditures made for such service in fiscal years 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded under this section. The Secretary may require such information as necessary to verify such expenditures.

“(g) UNDERTAKING PROJECTS IN ADVANCE.—

“(1) The Secretary may pay the Federal share of the net capital project cost to an applicant that carries out any part of a project described in this section according to all applicable procedures and requirements if—

1 “(A) the applicant applies for the payment;

2 “(B) the Secretary approves the payment;

3 and

4 “(C) before carrying out the part of the
5 project, the Secretary approves the plans and
6 specifications for the part in the same way as
7 other projects under this section.

8 “(2) The cost of carrying out part of a project
9 includes the amount of interest earned and payable
10 on bonds issued by the applicant to the extent pro-
11 ceeds of the bonds are expended in carrying out the
12 part. However, the amount of interest under this
13 paragraph may not be more than the most favorable
14 interest terms reasonably available for the project at
15 the time of borrowing. The applicant shall certify, in
16 a manner satisfactory to the Secretary, that the ap-
17 plicant has shown reasonable diligence in seeking the
18 most favorable financial terms.

19 “(3) The Secretary shall consider changes in
20 capital project cost indices when determining the es-
21 timated cost under paragraph (2) of this subsection.

22 “(h) 2-YEAR AVAILABILITY.—Funds appropriated
23 under this section shall remain available until expended.
24 If any amount provided as a grant under this section is
25 not obligated or expended for the purposes described in

1 subsection (a) within 2 years after the date on which the
 2 State received the grant, such sums shall be returned to
 3 the Secretary for other intercity passenger rail develop-
 4 ment projects under this section at the discretion of the
 5 Secretary.

6 “(i) PUBLIC-PRIVATE PARTNERSHIPS.—

7 “(1) IN GENERAL.—A metropolitan planning
 8 organization, State transportation department, or
 9 other project sponsor may enter into an agreement
 10 with any public, private, or nonprofit entity to coop-
 11 eratively implement any project funded with a grant
 12 under this title.

13 “(2) FORMS OF PARTICIPATION.—Participation
 14 by an entity under paragraph (1) may consist of—

15 “(A) ownership or operation of any land,
 16 facility, locomotive, rail car, vehicle, or other
 17 physical asset associated with the project;

18 “(B) cost-sharing of any project expense;

19 “(C) carrying out administration, construc-
 20 tion management, project management, project
 21 operation, or any other management or oper-
 22 ational duty associated with the project; and

23 “(D) any other form of participation ap-
 24 proved by the Secretary.

1 “(3) SUB-ALLOCATION.—A State may allocate
2 funds under this section to any entity described in
3 paragraph (1).

4 “(j) SPECIAL TRANSPORTATION CIRCUMSTANCES.—
5 In carrying out this section, the Secretary shall allocate
6 an appropriate portion of the amounts available under this
7 section to provide grants to States—

8 “(1) in which there is no intercity passenger
9 rail service for the purpose of funding freight rail
10 capital projects that are on a State rail plan devel-
11 oped under chapter 225 of this title that provide
12 public benefits (as defined in chapter 225) as deter-
13 mined by the Secretary; or

14 “(2) in which the rail transportation system is
15 not physically connected to rail systems in the conti-
16 nental United States or may not otherwise qualify
17 for a grant under this section due to the unique
18 characteristics of the geography of that State or
19 other relevant considerations, for the purpose of
20 funding transportation-related capital projects.

21 “(k) SMALL CAPITAL PROJECTS.—The Secretary
22 shall make available \$10,000,000 annually from the
23 amounts authorized under section 101(c) of the Passenger
24 Rail Investment and Improvement Act of 2007 beginning
25 in fiscal year 2008 for grants for capital projects eligible

1 under this section not exceeding \$2,000,000, including
 2 costs eligible under section 206(c) of that Act. The Sec-
 3 retary may wave requirements of this section, including
 4 state rail plan requirements, as appropriate.

5 **“§ 24403. Project management oversight**

6 “(a) PROJECT MANAGEMENT PLAN REQUIRE-
 7 MENTS.—To receive Federal financial assistance for a
 8 major capital project under this subchapter, an applicant
 9 must prepare and carry out a project management plan
 10 approved by the Secretary of Transportation. The plan
 11 shall provide for—

12 “(1) adequate recipient staff organization with
 13 well-defined reporting relationships, statements of
 14 functional responsibilities, job descriptions, and job
 15 qualifications;

16 “(2) a budget covering the project management
 17 organization, appropriate consultants, property ac-
 18 quisition, utility relocation, systems demonstration
 19 staff, audits, and miscellaneous payments the recipi-
 20 ent may be prepared to justify;

21 “(3) a construction schedule for the project;

22 “(4) a document control procedure and record-
 23 keeping system;

1 “(5) a change order procedure that includes a
2 documented, systematic approach to handling the
3 construction change orders;

4 “(6) organizational structures, management
5 skills, and staffing levels required throughout the
6 construction phase;

7 “(7) quality control and quality assurance func-
8 tions, procedures, and responsibilities for construc-
9 tion, system installation, and integration of system
10 components;

11 “(8) material testing policies and procedures;

12 “(9) internal plan implementation and reporting
13 requirements;

14 “(10) criteria and procedures to be used for
15 testing the operational system or its major compo-
16 nents;

17 “(11) periodic updates of the plan, especially
18 related to project budget and project schedule, fi-
19 nancing, and ridership estimates; and

20 “(12) the recipient’s commitment to submit a
21 project budget and project schedule to the Secretary
22 each month.

23 “(b) SECRETARIAL OVERSIGHT.—

24 “(1) The Secretary may use no more than 0.5
25 percent of amounts made available in a fiscal year

1 for capital projects under this subchapter to enter
 2 into contracts to oversee the construction of such
 3 projects.

4 “(2) The Secretary may use amounts available
 5 under paragraph (1) of this subsection to make con-
 6 tracts for safety, procurement, management, and fi-
 7 nancial compliance reviews and audits of a recipient
 8 of amounts under paragraph (1).

9 “(3) The Federal Government shall pay the en-
 10 tire cost of carrying out a contract under this sub-
 11 section.

12 “(c) ACCESS TO SITES AND RECORDS.—Each recipi-
 13 ent of assistance under this subchapter shall provide the
 14 Secretary and a contractor the Secretary chooses under
 15 subsection (c) of this section with access to the construc-
 16 tion sites and records of the recipient when reasonably
 17 necessary.

18 **“§ 24404. Use of capital grants to finance first-dollar**
 19 **liability of grant project**

20 “Notwithstanding the requirements of section 24402
 21 of this subchapter, the Secretary of Transportation may
 22 approve the use of capital assistance under this sub-
 23 chapter to fund self-insured retention of risk for the first
 24 tier of liability insurance coverage for rail passenger serv-
 25 ice associated with the capital assistance grant, but the

1 coverage may not exceed \$20,000,000 per occurrence or
 2 \$20,000,000 in aggregate per year.

3 **“§ 24405. Grant conditions**

4 “(a) DOMESTIC BUYING PREFERENCE.—

5 “(1) REQUIREMENT.—

6 “(A) IN GENERAL.—In carrying out a
 7 project funded in whole or in part with a grant
 8 under this title, the grant recipient shall pur-
 9 chase only—

10 “(i) unmanufactured articles, mate-
 11 rial, and supplies mined or produced in the
 12 United States; or

13 “(ii) manufactured articles, material,
 14 and supplies manufactured in the United
 15 States substantially from articles, material,
 16 and supplies mined, produced, or manufac-
 17 tured in the United States.

18 “(B) DE MINIMIS AMOUNT.—Subpara-
 19 graph (1) applies only to a purchase in an total
 20 amount that is not less than \$1,000,000.

21 “(2) EXEMPTIONS.—On application of a recipi-
 22 ent, the Secretary may exempt a recipient from the
 23 requirements of this subsection if the Secretary de-
 24 cides that, for particular articles, material, or
 25 supplies—

1 “(A) such requirements are inconsistent
2 with the public interest;

3 “(B) the cost of imposing the requirements
4 is unreasonable; or

5 “(C) the articles, material, or supplies, or
6 the articles, material, or supplies from which
7 they are manufactured, are not mined, pro-
8 duced, or manufactured in the United States in
9 sufficient and reasonably available commercial
10 quantities and are not of a satisfactory quality.

11 “(3) UNITED STATES DEFINED.—In this sub-
12 section, the term ‘the United States’ means the
13 States, territories, and possessions of the United
14 States and the District of Columbia.

15 “(b) OPERATORS DEEMED RAIL CARRIERS AND EM-
16 PLOYERS FOR CERTAIN PURPOSES.—A person that con-
17 ducts rail operations over rail infrastructure constructed
18 or improved with funding provided in whole or in part in
19 a grant made under this title shall be considered a rail
20 carrier as defined in section 10102(5) of this title for pur-
21 poses of this title and any other statute that adopts the
22 that definition or in which that definition applies, includ-
23 ing—

24 “(1) the Railroad Retirement Act of 1974 (45
25 U.S.C. 231 et seq.);

1 “(2) the Railway Labor Act (43 U.S.C. 151 et
2 seq.); and

3 “(3) the Railroad Unemployment Insurance Act
4 (45 U.S.C. 351 et seq.).

5 “(c) GRANT CONDITIONS.—The Secretary shall re-
6 quire as a condition of making any grant under this title
7 for a project that uses rights-of-way owned by a railroad
8 that—

9 “(1) a written agreement exist between the ap-
10 plicant and the railroad regarding such use and
11 ownership, including—

12 “(A) any compensation for such use;

13 “(B) assurances regarding the adequacy of
14 infrastructure capacity to accommodate both
15 existing and future freight and passenger oper-
16 ations;

17 “(C) an assurance by the railroad that col-
18 lective bargaining agreements with the rail-
19 road’s employees (including terms regulating
20 the contracting of work) will remain in full
21 force and effect according to their terms for
22 work performed by the railroad on the railroad
23 transportation corridor; and

1 “(D) an assurance that an applicant com-
 2 plies with liability requirements consistent with
 3 section 28103 of this title; and

4 “(2) the applicant agrees to comply with—

5 “(A) the standards of section 24312 of this
 6 title, as such section was in effect on September
 7 1, 2003, with respect to the project in the same
 8 manner that the National Railroad Passenger
 9 Corporation is required to comply with those
 10 standards for construction work financed under
 11 an agreement made under section 24308(a) of
 12 this title; and

13 “(B) the protective arrangements estab-
 14 lished under section 504 of the Railroad Revi-
 15 talization and Regulatory Reform Act of 1976
 16 (45 U.S.C. 836) with respect to employees af-
 17 fected by actions taken in connection with the
 18 project to be financed in whole or in part by
 19 grants under this subchapter.

20 “(d) REPLACEMENT OF EXISTING INTERCITY PAS-
 21 SENGER RAIL SERVICE.—

22 “(1) COLLECTIVE BARGAINING AGREEMENT
 23 FOR INTERCITY PASSENGER RAIL PROJECTS.—Any
 24 entity providing intercity passenger railroad trans-
 25 portation that begins operations after the date of en-

actment of this Act on a project funded in whole or in part by grants made under this title and replaces intercity rail passenger service that was provided by Amtrak, unless such service was provided solely by Amtrak to another entity, as of such date shall enter into an agreement with the authorized bargaining agent or agents for adversely affected employees of the predecessor provider that—

“(A) gives each such qualified employee of the predecessor provider priority in hiring according to the employee’s seniority on the predecessor provider for each position with the replacing entity that is in the employee’s craft or class and is available within 3 years after the termination of the service being replaced;

“(B) establishes a procedure for notifying such an employee of such positions;

“(C) establishes a procedure for such an employee to apply for such positions; and

“(D) establishes rates of pay, rules, and working conditions.

“(2) IMMEDIATE REPLACEMENT SERVICE.—

“(A) NEGOTIATIONS.—If the replacement of preexisting intercity rail passenger service occurs concurrent with or within a reasonable

1 time before the commencement of the replacing
2 entity's rail passenger service, the replacing en-
3 tity shall give written notice of its plan to re-
4 place existing rail passenger service to the au-
5 thorized collective bargaining agent or agents
6 for the potentially adversely affected employees
7 of the predecessor provider at least 90 days be-
8 fore the date on which it plans to commence
9 service. Within 5 days after the date of receipt
10 of such written notice, negotiations between the
11 replacing entity and the collective bargaining
12 agent or agents for the employees of the prede-
13 cessor provider shall commence for the purpose
14 of reaching agreement with respect to all mat-
15 ters set forth in subparagraphs (A) through (D)
16 of paragraph (1). The negotiations shall con-
17 tinue for 30 days or until an agreement is
18 reached, whichever is sooner. If at the end of
19 30 days the parties have not entered into an
20 agreement with respect to all such matters, the
21 unresolved issues shall be submitted for arbitra-
22 tion in accordance with the procedure set forth
23 in subparagraph (B).

24 “(B) ARBITRATION.—If an agreement has
25 not been entered into with respect to all mat-

1 ters set forth in subparagraphs (A) through (D)
2 of paragraph (1) as described in subparagraph
3 (A) of this paragraph, the parties shall select
4 an arbitrator. If the parties are unable to agree
5 upon the selection of such arbitrator within 5
6 days, either or both parties shall notify the Na-
7 tional Mediation Board, which shall provide a
8 list of seven arbitrators with experience in arbi-
9 trating rail labor protection disputes. Within 5
10 days after such notification, the parties shall al-
11 ternately strike names from the list until only
12 1 name remains, and that person shall serve as
13 the neutral arbitrator. Within 45 days after se-
14 lection of the arbitrator, the arbitrator shall
15 conduct a hearing on the dispute and shall
16 render a decision with respect to the unresolved
17 issues among the matters set forth in subpara-
18 graphs (A) through (D) of paragraph (1). This
19 decision shall be final, binding, and conclusive
20 upon the parties. The salary and expenses of
21 the arbitrator shall be borne equally by the par-
22 ties; all other expenses shall be paid by the
23 party incurring them.

24 “(3) SERVICE COMMENCEMENT.—A replacing
25 entity under this subsection shall commence service

1 only after an agreement is entered into with respect
 2 to the matters set forth in subparagraphs (A)
 3 through (D) of paragraph (1) or the decision of the
 4 arbitrator has been rendered.

5 “(4) SUBSEQUENT REPLACEMENT OF SERV-
 6 ICE.—If the replacement of existing rail passenger
 7 service takes place within 3 years after the replacing
 8 entity commences intercity passenger rail service,
 9 the replacing entity and the collective bargaining
 10 agent or agents for the adversely affected employees
 11 of the predecessor provider shall enter into an agree-
 12 ment with respect to the matters set forth in sub-
 13 paragraphs (A) through (D) of paragraph (1). If the
 14 parties have not entered into an agreement with re-
 15 spect to all such matters within 60 days after the
 16 date on which the replacing entity replaces the pred-
 17 ecessor provider, the parties shall select an arbi-
 18 trator using the procedures set forth in paragraph
 19 (2)(B), who shall, within 20 days after the com-
 20 mencement of the arbitration, conduct a hearing and
 21 decide all unresolved issues. This decision shall be
 22 final, binding, and conclusive upon the parties.

23 “(e) INAPPLICABILITY TO CERTAIN RAIL OPER-
 24 ATIONS.— Nothing in this section applies to—

1 “(1) commuter rail passenger transportation
 2 (as defined in section 24102(4) of this title) oper-
 3 ations of a State or local government authority (as
 4 those terms are defined in section 5302(11) and (6),
 5 respectively, of this title) eligible to receive financial
 6 assistance under section 5307 of this title, or to its
 7 contractor performing services in connection with
 8 commuter rail passenger operations (as so defined);

9 “(2) the Alaska Railroad or its contractors; or

10 “(3) the National Railroad Passenger Corpora-
 11 tion’s access rights to railroad rights of way and fa-
 12 cilities under current law.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) The table of chapters for the title is amend-
 15 ed by inserting the following after the item relating
 16 to chapter 243:

“244. Intercity passenger rail service capital assistance 24401”.

17 “(2) The chapter analysis for subtitle V is
 18 amended by inserting the following after the item re-
 19 lating to chapter 243:

“244. Intercity passenger rail service capital assistance 24401”.

20 **SEC. 302. STATE RAIL PLANS.**

21 (a) IN GENERAL.—Part B of subtitle V is amended
 22 by adding at the end the following:

1 **“CHAPTER 225. STATE RAIL PLANS AND HIGH**
 2 **PRIORITY PROJECTS**

“Sec.

“22501. Definitions.

“22502. Authority.

“22503. Purposes.

“22504. Transparency; coordination; review.

“22505. Content.

“22506. Review.

3 **“§ 22501. Definitions**

4 **“In this subchapter:**

5 **“(1) PRIVATE BENEFIT.—**

6 **“(A) IN GENERAL.—**The term ‘private
 7 benefit’—

8 “(i) means a benefit accrued to a per-
 9 son or private entity, other than the Na-
 10 tional Railroad Passenger Corporation,
 11 that directly improves the economic and
 12 competitive condition of that person or en-
 13 tity through improved assets, cost reduc-
 14 tions, service improvements, or any other
 15 means as defined by the Secretary; and

16 “(ii) shall be determined on a project-
 17 by-project basis, based upon an agreement
 18 between the parties.

19 **“(B) CONSULTATION.—**The Secretary may
 20 seek the advice of the States and rail carriers
 21 in further defining this term.

1 “(2) PUBLIC BENEFIT.—

2 “(A) IN GENERAL.—The term ‘public ben-
3 efit’—

4 “(i) means a benefit accrued to the
5 public in the form of enhanced mobility of
6 people or goods, environmental protection
7 or enhancement, congestion mitigation, en-
8 hanced trade and economic development,
9 improved air quality or land use, more effi-
10 cient energy use, enhanced public safety or
11 security, reduction of public expenditures
12 due to improved transportation efficiency
13 or infrastructure preservation, and any
14 other positive community effects as defined
15 by the Secretary; and

16 “(ii) shall be determined on a project-
17 by-project basis, based upon an agreement
18 between the parties.

19 “(B) CONSULTATION.—The Secretary may
20 seek the advice of the States and rail carriers
21 in further defining this term.

22 “(3) STATE.—The term ‘State’ means any of
23 the 50 States and the District of Columbia.

24 “(4) STATE RAIL TRANSPORTATION AUTHOR-
25 ITY.—The term ‘State rail transportation authority’

1 means the State agency or official responsible under
 2 the direction of the Governor of the State or a State
 3 law for preparation, maintenance, coordination, and
 4 administration of the State rail plan.”.

5 **“§ 22502. Authority**

6 “(a) IN GENERAL.—Each State may prepare and
 7 maintain a State rail plan in accordance with the provi-
 8 sions of this subchapter.

9 “(b) REQUIREMENTS.—For the preparation and peri-
 10 odic revision of a State rail plan, a State shall—

11 “(1) establish or designate a State rail trans-
 12 portation authority to prepare, maintain, coordinate,
 13 and administer the plan;

14 “(2) establish or designate a State rail plan ap-
 15 proval authority to approve the plan;

16 “(3) submit the State’s approved plan to the
 17 Secretary of Transportation for review; and

18 “(4) revise and resubmit a State-approved plan
 19 no less frequently than once every 5 years for re-
 20 approval by the Secretary.

21 **“§ 22503. Purposes**

22 “(a) PURPOSES.—The purposes of a State rail plan
 23 are as follows:

1 “(1) To set forth State policy involving freight
2 and passenger rail transportation, including com-
3 muter rail operations, in the State.

4 “(2) To establish the period covered by the
5 State rail plan.

6 “(3) To present priorities and strategies to en-
7 hance rail service in the State that benefits the pub-
8 lic.

9 “(4) To serve as the basis for Federal and
10 State rail investments within the State.

11 “(b) COORDINATION.—A State rail plan shall be co-
12 ordinated with other State transportation planning goals
13 and programs and set forth rail transportation’s role with-
14 in the State transportation system.

15 **“§ 22504. Transparency; coordination; review**

16 “(a) PREPARATION.—A State shall provide adequate
17 and reasonable notice and opportunity for comment and
18 other input to the public, rail carriers, commuter and tran-
19 sit authorities operating in, or affected by rail operations
20 within the State, units of local government, and other in-
21 terested parties in the preparation and review of its State
22 rail plan.

23 “(b) INTERGOVERNMENTAL COORDINATION.—A
24 State shall review the freight and passenger rail service
25 activities and initiatives by regional planning agencies, re-

1 gional transportation authorities, and municipalities with-
2 in the State, or in the region in which the State is located,
3 while preparing the plan, and shall include any rec-
4 ommendations made by such agencies, authorities, and
5 municipalities as deemed appropriate by the State.

6 **“§ 22505. Content**

7 “(a) IN GENERAL.—Each State rail plan shall con-
8 tain the following:

9 “(1) An inventory of the existing overall rail
10 transportation system and rail services and facilities
11 within the State and an analysis of the role of rail
12 transportation within the State’s surface transpor-
13 tation system.

14 “(2) A review of all rail lines within the State,
15 including proposed high speed rail corridors and sig-
16 nificant rail line segments not currently in service.

17 “(3) A statement of the State’s passenger rail
18 service objectives, including minimum service levels,
19 for rail transportation routes in the State.

20 “(4) A general analysis of rail’s transportation,
21 economic, and environmental impacts in the State,
22 including congestion mitigation, trade and economic
23 development, air quality, land-use, energy-use, and
24 community impacts.

1 “(5) A long-range rail investment program for
2 current and future freight and passenger infrastruc-
3 ture in the State that meets the requirements of
4 subsection (b).

5 “(6) A statement of public financing issues for
6 rail projects and service in the State, including a list
7 of current and prospective public capital and oper-
8 ating funding resources, public subsidies, State tax-
9 ation, and other financial policies relating to rail in-
10 frastructure development.

11 “(7) An identification of rail infrastructure
12 issues within the State that reflects consultation
13 with all relevant stake holders.

14 “(8) A review of major passenger and freight
15 intermodal rail connections and facilities within the
16 State, including seaports, and prioritized options to
17 maximize service integration and efficiency between
18 rail and other modes of transportation within the
19 State.

20 “(9) A review of publicly funded projects within
21 the State to improve rail transportation safety and
22 security, including all major projects funded under
23 section 130 of title 23.

24 “(10) A performance evaluation of passenger
25 rail services operating in the State, including pos-

1 sible improvements in those services, and a descrip-
2 tion of strategies to achieve those improvements.

3 “(11) A compilation of studies and reports on
4 high-speed rail corridor development within the
5 State not included in a previous plan under this sub-
6 chapter, and a plan for funding any recommended
7 development of such corridors in the State.

8 “(12) A statement that the State is in compli-
9 ance with the requirements of section 22102.

10 “(b) LONG-RANGE SERVICE AND INVESTMENT PRO-
11 GRAM.—

12 “(1) PROGRAM CONTENT.—A long-range rail
13 investment program included in a State rail plan
14 under subsection (a)(5) shall include the following
15 matters:

16 “(A) A list of any rail capital projects ex-
17 pected to be undertaken or supported in whole
18 or in part by the State.

19 “(B) A detailed funding plan for those
20 projects.

21 “(2) PROJECT LIST CONTENT.—The list of rail
22 capital projects shall contain—

23 “(A) a description of the anticipated public
24 and private benefits of each such project; and

1 “(B) a statement of the correlation be-
2 tween—

3 “(i) public funding contributions for
4 the projects; and

5 “(ii) the public benefits.

6 “(3) CONSIDERATIONS FOR PROJECT LIST.—In
7 preparing the list of freight and intercity passenger
8 rail capital projects, a State rail transportation au-
9 thority should take into consideration the following
10 matters:

11 “(A) Contributions made by non-Federal
12 and non-State sources through user fees,
13 matching funds, or other private capital involve-
14 ment.

15 “(B) Rail capacity and congestion effects.

16 “(C) Effects on highway, aviation, and
17 maritime capacity, congestion, or safety.

18 “(D) Regional balance.

19 “(E) Environmental impact.

20 “(F) Economic and employment impacts.

21 “(G) Projected ridership and other service
22 measures for passenger rail projects.

23 **“§ 22506. Review**

24 The Secretary shall prescribe procedures for States
25 to submit State rail plans for review under this title, in-

cluding standardized format and data requirements. State rail plans completed before the date of enactment of the Passenger Rail Investment and Improvement Act of 2007 that substantially meet the requirements of this chapter, as determined by the Secretary, shall be deemed by the Secretary to have met the requirements of this chapter”.

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for the title is amended by inserting the following after the item relating to chapter 223:

“225. State rail plans 22501”.

“(2) The chapter analysis for subtitle V is amended by inserting the following after the item relating to chapter 223:

“225. State rail plans 24401”.

SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIPMENT POOL.

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, Amtrak shall establish a Next Generation Corridor Equipment Pool Committee, comprised of representatives of Amtrak, the Federal Railroad Administration, host freight railroad companies, passenger railroad equipment manufacturers, and other passenger railroad operators as appropriate and interested States. The purpose of the Committee shall be to design, develop

1 specifications for, and procure standardized next-genera-
2 tion corridor equipment.

3 (b) FUNCTIONS.—The Committee may—

4 (1) determine the number of different types of
5 equipment required, taking into account variations
6 in operational needs and corridor infrastructure;

7 (2) establish a pool of equipment to be used on
8 corridor routes funded by participating States; and

9 (3) subject to agreements between Amtrak and
10 States, utilize services provided by Amtrak to design,
11 maintain and remanufacture equipment.

12 (c) COOPERATIVE AGREEMENTS.—Amtrak and
13 States participating in the Committee may enter into
14 agreements for the funding, procurement, remanufacture,
15 ownership and management of corridor equipment, includ-
16 ing equipment currently owned or leased by Amtrak and
17 next-generation corridor equipment acquired as a result
18 of the Committee's actions, and may establish a corpora-
19 tion, which may be owned or jointly-owned by Amtrak,
20 participating States or other entities, to perform these
21 functions.

22 (d) FUNDING.—In addition to the authorization pro-
23 vided in section 105 of this Act, capital projects to carry
24 out the purposes of this section shall be eligible for grants

1 made pursuant to chapter 244 of title 49, United States
2 Code.

3 **SEC. 304. FEDERAL RAIL POLICY.**

4 Section 103 is amended—

5 (1) by inserting “IN GENERAL.—” before “The
6 Federal” in subsection (a);

7 (2) by striking the second and third sentences
8 of subsection (a);

9 (3) by inserting “ADMINISTRATOR.—” before
10 “The head” in subsection (b);

11 (4) by redesignating subsections (c), (d), and
12 (e) as subsections (d), (e), and (f), respectively and
13 by inserting after subsection (b) the following:

14 “(c) SAFETY.—To carry out all railroad safety laws
15 of the United States, the Administration is divided on a
16 geographical basis into at least 8 safety offices. The Sec-
17 retary of Transportation is responsible for all acts taken
18 under those laws and for ensuring that the laws are uni-
19 formly administered and enforced among the safety of-
20 fices.”;

21 (5) by inserting “POWERS AND DUTIES.—” be-
22 fore “The” in subsection (d), as redesignated;

23 (6) by striking “and” after the semicolon in
24 paragraph (1) of subsection (d), as redesignated;

1 (7) by redesignating paragraph (2) of sub-
 2 section (d), as redesignated, as paragraph (3) and
 3 inserting after paragraph (1) the following:

4 “(2) the duties and powers related to railroad
 5 policy and development under subsection (e); and”;

6 (8) by inserting “TRANSFERS OF DUTY.—” be-
 7 fore “A duty” in subsection (e), as redesignated;

8 (9) by inserting “CONTRACTS, GRANTS, LEASES,
 9 COOPERATIVE AGREEMENTS, AND SIMILAR TRANS-
 10 ACTIONS.—” before “Subject” in subsection (f), as
 11 redesignated;

12 (10) by striking the last sentence in subsection
 13 (f), as redesignated; and

14 (11) by adding at the end the following:

15 “(g) ADDITIONAL DUTIES OF THE ADMINIS-
 16 TRATOR.—The Administrator shall—

17 “(1) provide assistance to States in developing
 18 State rail plans prepared under chapter 225 and re-
 19 view all State rail plans submitted under that sec-
 20 tion;

21 “(2) develop a long range national rail plan
 22 that is consistent with approved State rail plans and
 23 the rail needs of the Nation, as determined by the
 24 Secretary in order to promote an integrated, cohe-

1 sive, efficient, and optimized national rail system for
2 the movement of goods and people;

3 “(3) develop a preliminary national rail plan
4 within a year after the date of enactment of the Pas-
5 senger Rail Investment and Improvement Act of
6 2007;

7 “(4) develop and enhance partnerships with the
8 freight and passenger railroad industry, States, and
9 the public concerning rail development;

10 “(5) support rail intermodal development and
11 high-speed rail development, including high speed
12 rail planning;

13 “(6) ensure that programs and initiatives devel-
14 oped under this section benefit the public and work
15 toward achieving regional and national transpor-
16 tation goals; and

17 “(7) facilitate and coordinate efforts to assist
18 freight and passenger rail carriers, transit agencies
19 and authorities, municipalities, and States in pas-
20 senger-freight service integration on shared rights of
21 way by providing neutral assistance at the joint re-
22 quest of affected rail service providers and infra-
23 structure owners relating to operations and capacity
24 analysis, capital requirements, operating costs, and
25 other research and planning related to corridors

1 shared by passenger or commuter rail service and
 2 freight rail operations.

3 “(h) PERFORMANCE GOALS AND REPORTS.—

4 “(1) PERFORMANCE GOALS.—In conjunction
 5 with the objectives established and activities under-
 6 taken under section 103(e) of this title, the Adminis-
 7 trator shall develop a schedule for achieving specific,
 8 measurable performance goals.

9 “(2) RESOURCE NEEDS.—The strategy and an-
 10 nual plans shall include estimates of the funds and
 11 staff resources needed to accomplish each goal and
 12 the additional duties required under section 103(e).

13 “(3) SUBMISSION WITH PRESIDENT’S BUDG-
 14 ET.—Beginning with fiscal year 2009 and each fis-
 15 cal year thereafter, the Secretary shall submit to
 16 Congress, at the same time as the President’s budg-
 17 et submission, the Administration’s performance
 18 goals and schedule developed under paragraph (1),
 19 including an assessment of the progress of the Ad-
 20 ministration toward achieving its performance
 21 goals.”.

22 **SEC. 305. RAIL COOPERATIVE RESEARCH PROGRAM.**

23 (a) ESTABLISHMENT AND CONTENT.—Chapter 249
 24 is amended by adding at the end the following:

1 **“§ 24910. Rail cooperative research program**

2 “(a) IN GENERAL.—The Secretary shall establish
3 and carry out a rail cooperative research program. The
4 program shall—

5 “(1) address, among other matters, intercity
6 rail passenger and freight rail services, including ex-
7 isting rail passenger and freight technologies and
8 speeds, incrementally enhanced rail systems and in-
9 frastructure, and new high-speed wheel-on-rail sys-
10 tems and rail security;

11 “(2) address ways to expand the transportation
12 of international trade traffic by rail, enhance the ef-
13 ficiency of intermodal interchange at ports and other
14 intermodal terminals, and increase capacity and
15 availability of rail service for seasonal freight needs;

16 “(3) consider research on the interconnected-
17 ness of commuter rail, passenger rail, freight rail,
18 and other rail networks; and

19 “(4) give consideration to regional concerns re-
20 garding rail passenger and freight transportation,
21 including meeting research needs common to des-
22 ignated high-speed corridors, long-distance rail serv-
23 ices, and regional intercity rail corridors, projects,
24 and entities.

25 “(b) CONTENT.—The program to be carried out
26 under this section shall include research designed—

1 “(1) to identify the unique aspects and at-
2 tributes of rail passenger and freight service;

3 “(2) to develop more accurate models for evalu-
4 ating the impact of rail passenger and freight serv-
5 ice, including the effects on highway and airport and
6 airway congestion, environmental quality, and energy
7 consumption;

8 “(3) to develop a better understanding of modal
9 choice as it affects rail passenger and freight trans-
10 portation, including development of better models to
11 predict utilization;

12 “(4) to recommend priorities for technology
13 demonstration and development;

14 “(5) to meet additional priorities as determined
15 by the advisory board established under subsection
16 (c), including any recommendations made by the Na-
17 tional Research Council;

18 “(6) to explore improvements in management,
19 financing, and institutional structures;

20 “(7) to address rail capacity constraints that
21 affect passenger and freight rail service through a
22 wide variety of options, ranging from operating im-
23 provements to dedicated new infrastructure, taking
24 into account the impact of such options on oper-
25 ations;

1 “(8) to improve maintenance, operations, cus-
2 tomer service, or other aspects of intercity rail pas-
3 senger and freight service;

4 “(9) to recommend objective methodologies for
5 determining intercity passenger rail routes and serv-
6 ices, including the establishment of new routes, the
7 elimination of existing routes, and the contraction or
8 expansion of services or frequencies over such
9 routes;

10 “(10) to review the impact of equipment and
11 operational safety standards on the further develop-
12 ment of high speed passenger rail operations con-
13 nected to or integrated with non-high speed freight
14 or passenger rail operations;

15 “(11) to recommend any legislative or regu-
16 latory changes necessary to foster further develop-
17 ment and implementation of high speed passenger
18 rail operations while ensuring the safety of such op-
19 erations that are connected to or integrated with
20 non-high speed freight or passenger rail operations;
21 and

22 “(12) to review rail crossing safety improve-
23 ments, including improvements using new safety
24 technology.

25 “(c) ADVISORY BOARD.—

1 “(1) ESTABLISHMENT.—In consultation with
2 the heads of appropriate Federal departments and
3 agencies, the Secretary shall establish an advisory
4 board to recommend research, technology, and tech-
5 nology transfer activities related to rail passenger
6 and freight transportation.

7 “(2) MEMBERSHIP.—The advisory board shall
8 include—

9 “(A) representatives of State transpor-
10 tation agencies;

11 “(B) transportation and environmental
12 economists, scientists, and engineers; and

13 “(C) representatives of Amtrak, the Alaska
14 Railroad, freight railroads, transit operating
15 agencies, intercity rail passenger agencies, rail-
16 way labor organizations, and environmental or-
17 ganizations.

18 “(d) NATIONAL ACADEMY OF SCIENCES.— The Sec-
19 retary may make grants to, and enter into cooperative
20 agreements with, the National Academy of Sciences to
21 carry out such activities relating to the research, tech-
22 nology, and technology transfer activities described in sub-
23 section (b) as the Secretary deems appropriate.”.

1 (b) CLERICAL AMENDMENT.—The chapter analysis
 2 for chapter 249 is amended by adding at the end the fol-
 3 lowing:

“24910. Rail cooperative research program.”.

4 **SEC. 306. PASSENGER RAIL SYSTEM COMPARISON STUDY.**

5 (a) IN GENERAL.—Not later than 1 year after the
 6 date of the enactment of this Act, the Comptroller General
 7 of the United States shall complete a study that compares
 8 the passenger rail system in the United States with the
 9 passenger rail systems in Canada, Germany, Great Brit-
 10 ain, and Japan.

11 (b) ISSUES TO BE STUDIED.—The study conducted
 12 under subsection (a) shall include a country-by-country
 13 comparison of—

- 14 (1) the development of high speed rail;
- 15 (2) passenger rail operating costs;
- 16 (3) the amount and payment source of rail line
 17 construction and maintenance costs;
- 18 (4) the amount and payment source of station
 19 construction and maintenance costs;
- 20 (5) passenger rail debt service costs;
- 21 (6) passenger rail labor agreements and associ-
 22 ated costs;
- 23 (7) the net profit realized by the major pas-
 24 senger rail service providers in each of the 4 most
 25 recent quarters;

1 (8) the percentage of the passenger rail sys-
 2 tem's costs that are paid from general government
 3 revenues; and

4 (9) the method used by the government to pro-
 5 vide the subsidies described in paragraph (8).

6 (c) REPORT.—Not later than 180 days after the com-
 7 pletion of the study under subsection (a), the Comptroller
 8 General shall submit a report containing the findings of
 9 such study to—

10 (1) the Committee on Commerce, Science, and
 11 Transportation of the Senate; and

12 (2) the Committee on Transportation and In-
 13 frastructure of the House of Representatives.

14 **TITLE IV—MISCELLANEOUS**

15 **SEC. 401. STRATEGIC PLAN ON EXPANDED CROSS-BORDER** 16 **PASSENGER RAIL SERVICE DURING THE 2010** 17 **OLYMPIC GAMES.**

18 Not later than one year after the date of the enact-
 19 ment of this Act, Amtrak shall, in consultation with the
 20 Secretary of Transportation, the Secretary of Homeland
 21 Security, the Washington State Department of Transpor-
 22 tation, and the owners of the relevant railroad infrastruc-
 23 ture—

24 (1) develop a strategic plan to facilitate ex-
 25 panded passenger rail service across the inter-

1 national border between the United States and Can-
2 ada during the 2010 Olympic Games on the Amtrak
3 passenger rail route between Vancouver, British Co-
4 lumbia, Canada, and Eugene, Oregon (commonly
5 known as “Amtrak Cascades”);

6 (2) develop recommendations for the Depart-
7 ment of Homeland Security to process efficiently rail
8 passengers traveling on Amtrak Cascades across
9 such international border during the 2010 Olympic
10 Games; and

11 (3) submit to Congress a report containing the
12 strategic plan described in paragraph (1) and the
13 recommendations described in paragraph (2).

Passed the Senate October 30, 2007.

Attest:

NANCY ERICKSON,

Secretary.